

Legislature of Ontario

Debates

February 3—April 27, 1958







ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Monday, February 3, 1958

Speaker: The Honourable A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1958



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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, February 3, 1958, being the first day of the Fourth Session of the Twenty-fifth Legislature of the Province of Ontario for the despatch of business pursuant to a proclamation of the Honourable J. Keiller Mackay, Lieutenant-Governor of the province.

MONDAY, FEBRUARY 3, 1958

3 O'CLOCK P.M.

And the House having met,

The Honourable, the Lieutenant-Governor of the province then entered the House and, being seated on the Throne, was pleased to open the session by the following gracious speech.

Hon. J. K. Mackay (Lieutenant-Governor):
Mr. Speaker and members of the Legislative Assembly of Ontario:

It gives me much pleasure to welcome you today as you take up your duties at this fourth session of the Twenty-fifth Legislature.

Since last session, our country has been honoured by a visit from Her Gracious Majesty Queen Elizabeth II and His Royal Highness, The Prince Philip. This visit has cemented more closely in our hearts the special ties that bind us to our sovereign who is both the Queen of Canada and the Head of the Commonwealth.

At this session, consideration will be given to matters of great importance. This year has its problems and challenges as well as its opportunities. Adjustments have occurred in some lines of activity, involving considerable unemployment.

Nevertheless, the past year has been one of impressive achievement. Despite economic adjustments, more people were employed and more goods were produced and purchased last year than ever before in our history. Private and public investment reached a level nearly 3 times as great as 10 years ago. In many branches of industry new records of production were established.

Although the rise in unemployment does not warrant complacency, there are many strong elements in our economy. The capital expenditures of our provincial and municipal governments will be appreciably higher this year than a year ago, reaching an unprecedented level. Capital investment in residential housing and in the service industries will also increase.

Ontario Hydro, the Ontario Water Resources Commission, and the other service sectors of

our economy that are engaged in reinforcing our power and energy resources and our water, sewage and transportation facilities are projecting even greater programmes in the future. Two new electric power plants will be erected on the Mississagi and Abitibi rivers.

These times require the confidence and determination of all of us to take advantage and make the best of Canadian opportunities. In this regard, too, the relaxation of credit restrictions will assist both private and public investment, while our rapid population growth will continue to give impetus to consumer spending.

With the knowledge that comes from the opportunities before us, we can face the future confident that we shall be able to meet the problems of dislocation as they arise. Our goal is the maintenance of high and stable levels of employment and income. We can best achieve it by the co-operation of all levels of government with business, industry and labour.

In times of peace, the provinces and their municipalities form the right arm of development. That has been our historic pattern. It is therefore a source of gratification to us that, in recent months, there has been a trend in federal-provincial relations favourable to the provinces.

It will be recalled that at the conference on fiscal arrangements in 1955-56 there was little understanding or tangible recognition given to the problems of the provinces. In the light of Ontario's rapid industrial and population growth, the arrangements that emerged were unrealistic and unjust to our people.

On November 25 last, the Government of Canada convened a new conference from which, although only the preliminary meeting has been held, much has been achieved.

The federal attitude of refusing to contribute to the cost of relief for any case load below .45 per cent. of the population has been reversed. Because of the insertion of this "threshold", Ontario had refrained from signing an agreement. Happily, this provision has now been removed and Ontario has entered

into an agreement which eliminates the arbitrary and invidious distinction between unemployables and employables.

A further advantage of the new arrangement is that the province has reduced the municipal share of relief costs from 40 per cent. to 20 per cent.

Another achievement of the conference to date concerns hospital insurance. The totally unrealistic condition requiring the participation of 6 provinces before the plan came into effect has been eliminated. Thus, one of the most notable advances in human betterment in all of our history has become a certainty.

The Ontario hospital insurance programme will come into operation on January 1, 1959. This great plan will offer advantages to our people in every walk of life. Everyone in Ontario who subscribes to it, irrespective of age, pre-existing or existing condition of health, disability or occupation, may join the plan and share its benefits. It will provide protection for short-stay illnesses in hospital as well as prolonged illnesses and its coverage will be available to patients in mental hospitals and tuberculosis sanatoria.

Another notable advance in the field of hospital service is the greatly increased schedule of capital grants to hospitals. The upward revision in both the federal and Ontario grants will stimulate the construction of all classes of hospitals, make it easier to meet the requirements of the Ontario hospital insurance programme and open up new employment opportunities.

The federal government has also taken a very important step in recognizing the province's need for additional revenue. The provincial share of personal income tax has been raised from 10 to 13 per cent. as an interim measure until the federal-provincial conference has another opportunity of assessing the fundamental problems of provincial and municipal requirements. It augurs well for the success of this important conference that so much has been accomplished in so short a time.

Legislation will be submitted to you giving effect to the matters to which I have referred.

The past year has been an important one in the development of orderly farm marketing. This year there will again be improvements. The success of marketing plans will contribute greatly to extending a measure of social justice to our agricultural people.

Measures will be introduced to strengthen the activities which are being carried on for the benefit of the farmers of this province. Extension services will be broadened. The

agricultural and veterinary colleges will be expanded to facilitate more teaching and research work. Other legislation will enhance the professional status of veterinarians and the graduates of our agricultural colleges. There will be enactments to provide greater security for our producers who have grains and seeds stored in elevators. Among other measures to be presented will be an extension of the powers of the milk industry board, enabling it to arbitrate in matters relating to cheese or milk manufactured into concentrated milk products.

During the past year, the programme of extending electric power in the rural areas of Ontario was carried forward vigorously. To facilitate greater progress, Ontario Hydro has this year assumed the cost of extending an electric power line to any soundly established farm for two-thirds of a mile against the former maximum of one-third of a mile. A large number of farmers will benefit from this revision.

In furtherance of the notable advances in our province in the matter of human rights, a programme of publicity and education designed to aid in overcoming discrimination will be undertaken. Legislation will be introduced to set up a commission to integrate the administration of the several Acts now in force and to carry out a programme of education. Amendments will be made to The Workmen's Compensation Act to broaden its application.

Health and welfare services will be expanded to keep pace with the needs of our growing society. The demands for increased mental hospital accommodation and full-time health services are being met by accelerated construction and the training of qualified personnel. The construction programme for mental hospitals is a very large one. A new hospital was recently opened in North Bay. New hospitals are planned for Kent and Huron counties.

In addition, large extensions are currently under way at 12 existing hospitals, and work on several others will be started immediately. To keep our province in the forefront of medical advances, new techniques and modern methods will be introduced for the treatment of the mentally ill. You will be asked to approve funds for this large programme.

Changes, too, will be sought in a number of Acts relating to the betterment of the health of our people. These will include new legislation to enable additional safeguards to be taken against air pollution.

Since the last session, and coincidental with the increase of old age pensions to \$55

per month, like increases have been made in old-age assistance, disability pension allowances and blind persons' allowances. You will be asked to vote funds to provide for these increased benefits, and also for a betterment in mothers' allowances and unemployment relief. A new Act—The General Welfare Assistance Act—will be introduced to replace and modernize The Unemployment Relief Act.

Amendments to The Charitable Institutions Act and The Homes for the Aged Act will increase the province's share of the cost of these services, thus easing municipal financial burdens as well as assisting the worthy charitable organizations engaged in this work. In the case of the charitable institutions, the province's contribution will be raised to 75 per cent.

You will also be asked to provide for a new system of homemakers' and nursing services that will help to preserve normal family life and reduce hospital and institutional care requirements and costs.

Significant and far-reaching reforms will be made to our school grant system. Some will benefit higher education. In this year, 1958, we shall witness the institution of measures never before attempted in this province.

This is the second year—and a most important one—in the 3-year plan commenced last session.

Education is at once our greatest problem and our greatest opportunity. One of the outstanding turning points in education occurred in 1945 with the vastly increased grants of that year. Since then many improvements have been made. In the last 13 years, grants have been increased 12-fold. This year you will be asked to consider a further increase that will be much the largest in our history.

Based on a new approach aimed at providing more equitable distribution, a formula has been devised that includes provincially equalized assessment, pupil attendance and a growth-need factor for all of our schools, rural and urban.

The problem of education is now a matter of concern for the western world. Fortunately this was recognized in Ontario nearly 15 years ago, with the result that, from our elementary schools through to our universities, which have grown from 3 to 8 in that period, Ontario has kept ahead in education.

To assist students through university, the amount being made available for bursaries will be increased and in addition a new

system of students' aid loans will be initiated. It is by such improvements to education that our social and economic progress is furthered.

Increased grants for education, of course, decrease the burden on the municipal taxpayers. But in addition, other steps will be taken and services introduced of benefit to the municipalities. The Assessment Branch of The Department of Municipal Affairs is opening 8 regional offices. Numerous amendments to The Municipal Act, The Assessment Act and other Acts will be introduced in order to accelerate progress and ensure the strengthening of local authority.

Ontario's highways and public works construction programme was higher in 1957 for the third successive year, and 1958 will be no exception. At this session you will be asked to approve a record volume of work, designed both to meet the needs of our fast-growing province and to stimulate business and employment. Similarly a programme to bolster the construction of housing and conservation projects will be recommended for your approval.

The Department of Transport, together with The Department of the Attorney-General have initiated major steps to improve Ontario's traffic situation. Legislation will be submitted on a wide variety of subjects dealing with the administration of justice.

One of the amendments will permit the appointment, without restriction, of any person as a third member of a police commission.

Amendments to several Acts for the development, conservation and protection of our natural heritage of forests and mines will be introduced. A programme of forest and access road development will be submitted which will not only improve our forest protection services but promote forest and mining production. The Department of Mines, in conjunction with other departments, is conducting a complete re-examination of the problem of silicosis.

Further immediate expansion in the province's growing parks system will be carried out. Among the projects to which close attention is being given is the St. Lawrence parks system which will be extended into Frontenac and Addington counties and, embracing the fine Fort Henry project, will stretch from the Quebec boundary to the Bay of Quinte.

A number of significant matters will be submitted to the committees of the House for detailed study.

In addition to the new legislation previously mentioned, amendments will be introduced to the following Acts:

The Vital Statistics Act, The Brucellosis Act, The Corporations Act, The Corporations Information Act, The Child Welfare Act, The Mental Hospitals Act, The Public Health Act, The Department of Education Act, The Public Schools Act, The Highway Traffic Act, The Insurance Act, The Mechanics' Lien Act, The Mining Act, The Mining Tax Act, The Power Commission Act, The Liquor Licence Act and The Liquor Control Act.

In addition, a complete revision of The Surveys Act will be introduced.

The welfare of the province's civil service has made favourable progress. A revision in salary rates which has not only improved the position of individual members of the service, but raised the general standing of the provincial service itself, has been undertaken. The membership of the commission has been extended to include a woman.

The public accounts for the fiscal year ending March 31, 1957, as well as the treasurer's budget statement will be presented. The latter will contain a review of the financial policies for this fiscal year and the contemplated programme of expenditures and revenues for the fiscal year beginning next April 1. It will also provide a report in detail of the outstanding progress made this year in federal-provincial relations.

The importance of this subject and of the submissions made by your province at the 3 conferences, including the one at present in progress, cannot be over-emphasized. Ontario is, and will be, confronted with the problems arising from growth and development to which progressive taxes are directly related. Ontario has stressed, and will continue to stress, at federal-provincial meetings the need for a just sharing of these tax fields.

May Divine Providence guide your deliberations.

The Honourable the Lieutenant-Governor was then pleased to retire from the chamber.

Prayers.

Mr. Speaker: I beg to inform the House that to prevent mistakes, I have obtained a copy of His Honour's speech which I will now read.

(Reading dispensed).

Mr. Speaker: Introduction of bills.

HOSPITAL SERVICES COMMISSION ACT, 1957

Hon. M. Phillips moves first reading of Bill No. 45, intituled, "An Act to amend The Hospital Services Commission Act, 1957."

Motion agreed to; first reading of the bill.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I beg to move, seconded by hon. G. H. Dunbar, that the speech of the Honourable, the Lieutenant-Governor to this House (Mr. Mackay), be taken into consideration tomorrow.

Motion agreed to.

Mr. Speaker: I beg to inform the House that I have received, during the recess of the House, notification of vacancies which have occurred in the membership of the House, by reason of the deaths of Fletcher S. Thomas, member for the electoral district of Elgin and Thomas Pryde, member for the electoral district of Huron, and by reason of the resignations of George H. Doucett, member for the electoral district of Lanark; Osie F. Villeneuve, member for the electoral district of Glengarry; Philip T. Kelly, member for the electoral district of Cochrane North; and Dana Porter, member for the electoral district of St. George.

Hon. Mr. Frost: Mr. Speaker, you have referred to vacancies which have occurred in the assembly. I should like to refer to two of these. These were occasioned by the deaths of the hon. members representing the constituencies of Elgin and Huron.

Fletcher Stewart Thomas, the member for Elgin, was elected in 1945 and continued to represent that fine riding until his death last November. Mr. Thomas was long in the service of this province, as a matter of fact, his services to his country commenced in 1916 with his enlistment as a gunner in the field artillery.

On his return to Canada, he graduated from the Ontario Agricultural College and then served in the newly organized agricultural representatives' organization in both northern and southern Ontario until 1945. His outstanding service, of course, was in the county of Elgin, nevertheless, he brought with him at that time a very wide experience in both eastern and western Ontario where he served in junior capacities and as well at the Lakehead where he acquired a knowledge of the problems of our great north country.

Subsequently in the Legislature, he served as the Minister of Public Works and latterly as the Minister of Agriculture.

"Tommy" Thomas, as he was known to us,

was a very fine personality. Human personality is something which it is impossible for us to describe or assess. As a matter of fact, human personality is of divine origin and therefore beyond our powers to appraise. But we can say this, that Mr. Thomas was essentially an advanced and an independent thinker. He possessed a mind which was intensively active. It was difficult, in fact impossible, for him to ever let down or relax. To an extent, his objectives, ideas and enthusiasm consumed him and his strength.

Those of us who were close to him in his courageous battle against ill health knew these things. We can assess him as a man of courage who was faced with the adversities of health, a great kindly soul who was a fine friend, and who felt and suffered within himself for the causes which he espoused. In addition to all of these things, Mr. Speaker, he was a great friend and a great adviser.

On all sides of the House, the hon. members miss him and express our sympathy to his wife and to his family.

The late Mr. Thomas Pryde was the member for Huron. He was born in Fifeshire, Scotland, in the riding represented by Mr. Asquith in his day. Proud of his race, to use the words of a great Canadian in another connection, a Scotsman he was born and a Scotsman he died.

It was only natural in his coming to this country, that he gravitated to the county of Huron, where it was a community essentially Scottish in its background. From that county, Mr. Pryde served the people. He served in the armed forces of this country as a member of the Canadian Expeditionary Force in World War I and as a member of the Royal Canadian Air Force in World War II, also he long served his municipality in municipal affairs.

As might be expected, Mr. Pryde was a Presbyterian, and an elder in the Calvin Presbyterian Church.

Elected to the Legislature in 1948, he gave distinguished service in this assembly. We shall miss the late Tom Pryde and his Scottish accent, and the kindly good sense he brought to the administration of the affairs of this assembly. He will be greatly missed in his own community as well as here in this assembly. We all join in expressing our deepest sympathy to Mrs. Pryde and the family.

Mr. Speaker, it has probably not been the custom to refer here to the services of our Lieutenant-Governors. I use that plural, and I assert that I am right because I have consulted the highest authorities around here

when I say Lieutenant-Governors. But in these times protocol changes, and I would like to refer—as I know would the hon. Leader of the Opposition (Mr. Oliver) to this and the other matters to which I have referred—to the services of the Honourable Louis O. Breithaupt and his wife.

I think it is proper at this time that we should make an expression of our thanks to these two very fine citizens for their excellent services to their province and to their country. I have now served under 5 Lieutenant-Governors. Naturally, as the head of the government, my relations with two of them have been more intimate than with the others. Regarding the third one — the present Lieutenant-Governor — my friendship and relationship with him go back to the days of World War I.

But the two to whom I particularly refer are the Honourable Ray Lawson and the Honourable Louis Breithaupt. I regard them, as we all do, with feelings of high esteem and respect, and with very warm personal feelings. They have both been great servants of the people and it is a pleasure to acknowledge this fact. The present incumbent, who has in one of his first official acts just opened this Legislature, is the 32nd incumbent of that office since the days of the first occupant, Colonel John Graves Simcoe.

In acknowledging the services of Mrs. Breithaupt and the former Lieutenant-Governor, we not only pay well deserved tribute to them as representatives of ourselves in a position of great responsibility, but also to those who, over the years, have contributed greatly to the development of our province and its traditions.

I may say, Mr. Speaker, that there are one or two other matters of tradition I might refer to at this time. One of them is the fact that the hon. members are today seated in new chairs.

I may say that the other chairs were very ancient, but I must admit that I agreed to the change only with reluctance, out of my respect for your Parliamentary authority, Mr. Speaker, because you advised me that the chairs were outmoded. But I would say that I would rather have our hon. members sit in rickety chairs, despite the value I place on their personal comfort, than do away with any of the possible traditions of our great province in that regard.

May I also refer to the ancient mace which is on the table today. It seemed to me that it was fitting to refer to something going back to Ontario's beginning, on this occasion when we are welcoming the thirty-

second in succession of the Lieutenant-Governors of this province.

The mace, Mr. Speaker, that is on the table today is the mace which was associated with the beginnings of this province. It was captured by the Americans in one of their few victories, or perhaps their only victory in the war of 1812, and was taken to Washington. Some years ago that great American, that great citizen of the world, the late Franklin D. Roosevelt, returned it to the province of Ontario. We keep it here as one of our treasures.

That matter of tradition and history is something that took place during the days of Simcoe and those ensuing Lieutenant-Governors and in the days of 1812, which were associated with the possibility of elimination of our country as an entity. That mace is on the table today.

I am very glad in paying tribute to the Lieutenant-Governors of this province whom I have named to refer to these things.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, in these days and amidst an ever-increasing tempo of change both sensational and unusual, it is a privilege to come back again to the opening of another session of the Legislature. There is an opportunity here for all of us to renew friendships and acquaintanceships that we have formed over the years.

Our pleasure on this occasion is marred only by the fact that in the interim between the last session and this one we have lost, as the hon. Prime Minister has so well said, two members of the Legislature, the member for Huron and the member for Elgin. Their seats in this assembly are properly noted today as a mark of our reverence and our respect.

Personally, I had the highest regard for these two members. I knew the member for Elgin exceptionally well and I think in his life there is a lesson for all of us. As we all know, during his Parliamentary career he was not in the best of health, in fact he was continually fighting against the hand of ill-health. In spite of that he kept on and made, I suggest, to this province a great contribution.

In fact, I have often thought and I think I should say this, that had it not been for the marks of ill-health in the life of "Tommy" Thomas he would have been one of the outstanding Ministers of the day. He had a keen intellect, a sense of fairness, and possessed a debating ability that not many hon. members have. His loss to this province

and to this assembly is easily stated and thoroughly regretted by all of us.

The member for Huron was a sincere, conscientious representative who had at all times the interest of his constituents at heart, and he never failed on any occasion to give voice to what he considered were the best interests of the people back home.

These two members will be remembered by the hon. members who remain and the work they did will be an inspiration for us to carry on and do even better in the days that are ahead.

The hon. Prime Minister has said that perhaps he has broken custom this afternoon in referring to the work of the Lieutenant-Governors who have given over and who have worked out their tenure of office. Well, if that is breaking custom, Mr. Speaker, I think it is a custom that we should continue to break. I think those hon. members in this House who have a particular knowledge of the work that these great men did—these great men and women did—for Ontario in their various capacities, will agree that it is only right that we should recall and remember from time to time, because it seems to me that in Mr. Breithaupt and in Mr. Lawson we had two great public servants.

We honoured and respected them, and they in turn gave of their best for the people of this province. Today, as we honour with respect the new Lieutenant-Governor, we will remember as well the qualifications of those who have held that office in the past.

I say to the hon. Prime Minister, and with him, that all of us in this House are deeply conscious of the great contribution that these men and women have made to the public life in this province.

I have just this one other word to say, and it has reference to the hon. Prime Minister's well-known resistance to change. This resistance has been broken in one small degree in that he has allowed himself and the treasury to be "looted" to the extent of an amount of money sufficiently to supply new chairs in this assembly.

Now, having made the first dent upon the otherwise impenetrable armour of my honourable friend, I hope that in this session we may urge him, and we may succeed in convincing him, that sometimes it is well to change. Perhaps we won't get him to change any faster in other things than we did in getting these chairs in the assembly. But I have hope, Mr. Speaker, I have hope, even though it be within me alone, that the

hon Prime Minister, having made this move in the right direction, will be open to other reasonable suggestions along the same line.

Mr. D. C. MacDonald (York South): Mr. Speaker, I would like to associate myself briefly with the remarks of the hon. Prime Minister and the hon. leader of the Opposition in their words of regret and sympathy in the passing of two of our colleagues in this House. As a relative newcomer to this House, above everything else in recalling these two gentlemen I recall their warm friendship. I know that with "Tommy" Thomas, although I was a newcomer to the House, he was willing to sit and talk with me in detail of problems in a fashion that was always very encouraging. As for "Tom" Pryde, this House will never

be quite the same without that rich Scottish burr.

The hon. Prime Minister has a great sense of history, that is one thing we can never be critical of at all, and certainly I would never be, and I think it was also very appropriate and apt that he should have reached back into the richness of our past as we all try to move forward to the richness of the future.

Hon. Mr. Frost: In the spirit of the admonitions of the hon. leader of the Opposition, I do now move the adjournment of the House.

Motion agreed to.

The House adjourned at 4.00 of the clock, p.m.





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Tuesday, February 4, 1958

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Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FEBRUARY 4, 1958

3 O'CLOCK P.M.

Box 485,
Carleton Place, Ontario,
August 14, 1957.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

The clerk read the following communications relative to the vacancies announced by Mr. Speaker on Monday, February 3:

Maxville, Ontario.
May 25, 1957.

THE HONOURABLE A. W. DOWNER,
SPEAKER OF THE LEGISLATIVE ASSEMBLY
OF THE PROVINCE OF ONTARIO.

DEAR SIR:

I, Osie F. Villeneuve, hereby tender my resignation as a member of the legislative assembly of the Province of Ontario for the electoral district of Glengarry.

Yours very truly,

WITNESSES:

(signed)

D. P. DUPUIS
J. D. MACRAE

(signed)

OSIE F. VILLENEUVE

Box 485,
Carleton Place, Ontario,
August 14, 1957.

THE HONOURABLE THE SPEAKER
OF THE LEGISLATIVE ASSEMBLY OF ONTARIO,
PARLIAMENT BUILDINGS, TORONTO.

DEAR MR. SPEAKER:

Conforming to procedure laid down in The Legislative Assembly Act of the Province of Ontario, and in amendments to that measure made subsequent to its original enactment, I have the honour, Sir, to submit herewith my resignation as member for the provincial riding of Lanark county to which I was first elected in 1937, and have since served continuously.

This declaration was written in the presence of two subscribing witnesses whose signatures appear below with my own. I am attaching a letter giving the reason for my resignation which I hope you may see fit to file with this declaration as a matter of record.

Permit me, Sir, in conclusion to express deep appreciation for many courtesies shown to me in the course of your high office's duties and in your private capacity. Believe me,

Yours faithfully,

WITNESSES:

(signed)

D. A. SWITZER
J. A. JOHNSTON,,
M.D.

(signed)

GEORGE H. DOUCETT

THE HONOURABLE AND REVEREND A. W. DOWNER,
M.P.P.,
SPEAKER OF THE LEGISLATIVE ASSEMBLY OF ONTARIO,
PARLIAMENT BUILDINGS, TORONTO.

DEAR MR. DOWNER:

I feel that my formal resignation as member of the legislative assembly of Ontario for the provincial riding of Lanark county should be accompanied by a few words of explanation to its presiding officer. I will greatly appreciate its being made, as you see fit, a part of the record.

My reason for resigning my seat in the assembly is that I intend to seek nomination by the Progressive-Conservative Association of Lanark county to contest the federal by-election which is scheduled to be held on Monday, September 9, 1957. This special poll was necessitated by the sudden death of Dr. W. G. Blair, M.P., of Perth, Ontario a few days after he had been re-elected on June 10 of this year.

My decision was influenced by the advice of Lanark Riding Association leaders and encouragement given to me by many of my personal friends in the constituency. However I felt that I should not go before the convention as one seeking a new honour at their hands while retaining the one which they had enabled me to win in various provincial elections held since I first contested the riding in 1937.

During my 20 years as a member of the legislative assembly, I was given many special opportunities of association with honourable members serving with me under various provincial governments. I cherish the friendships formed and am proud to acknowledge able counsel given by so many which helped me in carrying out my own tasks. No matter their alignment in the assembly, I felt it an honour to be associated with men striving so earnestly for the best good of this great province and all its people.

I am also greatly indebted to colleagues of various governments in which I had the privilege of serving in the capacity of a Minister.

Further, I wish to acknowledge my personal obligation to the officials and members of Ontario's efficient and devoted public service.

I am, of course, deeply sensitive of the fact that all I did or endeavoured to do as a member of the legislative assembly of Ontario was due to the confidence given me by the people of Lanark county riding, which is my home. Serving them and the people of Ontario in general, in any effective measure, is an honour for which I am deeply and humbly grateful. Believe me,

Yours faithfully,

(signed)

GEORGE H. DOUCETT

Toronto,
December 5, 1957.

TO THE HONOURABLE THE SPEAKER
OF THE LEGISLATIVE ASSEMBLY
OF THE PROVINCE OF ONTARIO.

We, the undersigned, Leslie M. Frost, member for the said legislative assembly for the electoral district of Victoria, and Dana Porter, member for the said legislative assembly for the electoral district of St. George, do hereby notify you that a vacancy has occurred in the representation in the said legislative assembly for the electoral district of Elgin by reason of the death of Fletcher S. Thomas, Esquire, member for the said electoral district of Elgin.

IN WITNESS WHEREOF we have hereunto set our hands and seals on this fifth day of December in the year of Our Lord one thousand nine hundred and fifty-seven.

SIGNED AND SEALED IN
THE PRESENCE OF:
(signed)

W. M. McINTYRE

(signed)
LESLIE M. FROST
DANA PORTER

Toronto, January 10, 1958.

TO THE HONOURABLE THE SPEAKER
OF THE LEGISLATIVE ASSEMBLY
OF THE PROVINCE OF ONTARIO:

We, the undersigned, Leslie M. Frost, member for the said legislative assembly for the electoral district of Victoria, and George H. Dunbar, member for the said legislative assembly for the electoral district of Ottawa South, do hereby notify you that a vacancy has occurred in the representation in the said legislative assembly for the electoral district of Huron by reason of the death of Thomas Pryde, Esquire, member for the said electoral district of Huron.

IN WITNESS WHEREOF we have hereunto set our hands and seals on this tenth day of January in the year of Our Lord one thousand nine hundred and fifty-eight.

SIGNED AND SEALED IN
THE PRESENCE OF:
(signed)
RODERICK LEWIS

(signed)
LESLIE M. FROST
GEORGE H. DUNBAR

Toronto, January 22, 1958.

THE HONOURABLE THE SPEAKER
OF THE LEGISLATIVE ASSEMBLY
OF THE PROVINCE OF ONTARIO,
PARLIAMENT BUILDINGS, TORONTO, ONTARIO.

DEAR MR. SPEAKER:

I hereby submit my resignation as the member of the legislative assembly of Ontario for the electoral district of Cochrane North.

It is with regret that I take this step, but I feel that it is my proper course at this time as I intend to stand for the Progressive Conservative Nomination Convention for the Parliament of Canada, which convention takes place one month from today.

May I express to you, Sir, my appreciation for your kindness and many services to me during my membership in the House.

Yours very truly,

WITNESSES:
(signed)
HATTIE FINN
RODERICK LEWIS

(signed)
P. T. KELLY

THE HONOURABLE THE REV. A. W. DOWNER,
SPEAKER OF THE LEGISLATIVE ASSEMBLY,
PARLIAMENT BUILDINGS.

DEAR MR. SPEAKER:

I hereby declare that I resign the seat in the legislative assembly for the electoral district of St. George, Toronto.

Delivered this 30th day of
January, 1958.

WITNESSES:
(signed)
EUNICE C. MURPHY
ANNE BATE

(signed)
DANA PORTER

Mr. Speaker informed the House that the clerk had received from the chief election officer and laid upon the table the following certificate of a by-election held since the last session of the House:

Electoral district of Glengarry: Fernand Guindon.

PROVINCE OF ONTARIO

THIS IS TO CERTIFY that, in view of a writ of election dated the twenty-second day of July, 1957, issued by the Honourable Lieutenant-Governor of the Province of Ontario, and addressed to Donald Duncan MacKinnon, Esquire, returning officer for the electoral district of Glengarry, for the election of a member to represent the said electoral district of Glengarry in the legislative assembly of this province, in the room of Osie F. Villeneuve, Esquire, who, since his election as representative of the said electoral district of Glengarry, duly resigned his seat in the said legislative assembly, Fernand Guindon, Esquire, has been returned as duly elected as appears by the return of the said writ of election, dated the twenty-third day of September, 1957, which is now lodged of record in my office.

RODERICK LEWIS,
Chief Election Officer

Toronto, February 4, 1958.

Fernand Guindon, Esquire, member for the electoral district of Glengarry, having taken the oaths and subscribed the roll, took his seat.

Mr. Speaker informed the House that the clerk had received from the chief election officer and laid upon the table the following certificate of a by-election held since the last session of the House:

Electoral district of Middlesex North:
William A. Stewart.

PROVINCE OF ONTARIO

THIS IS TO CERTIFY that, in view of a writ of election dated the twenty-second day of July, 1957, issued by the Honourable Lieutenant-Governor of the Province of Ontario, and addressed to Harold R. Lucas, Esquire, returning officer for the electoral district of Middlesex North for the election of a member to represent the said electoral district of Middlesex North in the legislative assembly of this province, in the room of Thomas L. Patrick, Esquire, who, since his election as representative of the said electoral district of Middlesex North, hath departed this life, William A. Stewart, Esquire, has been returned as duly elected as appears by the return of the writ of election, dated the twenty-third day of September, 1957, which is now lodged of record in my office.

RODERICK LEWIS,
Chief Election Officer

Toronto, February 4, 1958.

William A. Stewart, Esquire, member for the electoral district of Middlesex North, having taken the oaths and subscribed the roll, took his seat.

Mr. Speaker informed the House that the clerk had received from the chief election officer and laid upon the table the following certificate of a by-election held since the last session of the House:

Electoral district of Lanark: John Arthur McCue.

PROVINCE OF ONTARIO

THIS IS TO CERTIFY that, in view of a writ of election dated the fourth day of September, 1957,

issued by the Honourable Lieutenant-Governor of the Province of Ontario, and addressed to Edwin M. James, Esquire, returning officer for the electoral district of Lanark, for the election of a member to represent the said electoral district of Lanark in the legislative assembly of this province, in the room of George H. Doucett, Esquire, who, since his election as representative of the said electoral district of Lanark, duly resigned his seat in the said legislative assembly, John Arthur McCue, Esquire, has been returned as duly elected as appears by the return of the said writ of election, dated the twentieth day of November, 1957, which is now lodged of record in my office.

RODERICK LEWIS,
Chief Election Officer

Toronto, February 4, 1958.

John Arthur McCue, Esquire, member for the electoral district of Lanark, having taken the oaths and subscribed the roll, took his seat.

Hon. L. M. Frost moves, seconded by hon. G. H. Dunbar, that during the present session of the legislative assembly provision be made for the taking and printing of reports of debates and speeches, and to that end that Mr. Speaker be authorized to employ an editor of debates and speeches and the necessary stenographers at such rates of compensation as may be agreed to by him; also that Mr. Speaker be authorized to arrange for the printing of the reports in the amount of 1,200 copies daily, copies of such printed reports to be supplied to the Honourable the Lieutenant-Governor, to Mr. Speaker, to the clerk of the legislative assembly, to the legislative library, to each member of the assembly, to the reference libraries of the province, to the press gallery, to the newspapers of the province as approved by Mr. Speaker, and the balance to be distributed by the clerk of the assembly as directed by Mr. Speaker.

Hon L. M. Frost (Prime Minister): In presenting this motion to the House, might I just give this very brief explanation and say that the absence of the table and the reporters here today is not due to any antipathy I may have to the matter of *Hansard* which I have expressed here on various occasions. It is due to the fact that we live in the age of the splitting of the atom, of intercontinental missiles, and of automation. I understand that your honour is going to make a statement to the House relative to the new arrangements of which, sir, I am entirely innocent.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, may I state that this motion, of course, is always good for some debate at each session of the Legislature. I want to particularly direct the hon. Prime Minister's attention to the last part of the motion which suggests that 1,200 copies be

printed and that these copies be distributed according to the schedule. Then, if there are any left over, they are to be distributed on the direction of the hon. Speaker of the Legislature.

Now I want to make a point, Mr. Speaker, and to me it is a serious one.

What are we printing *Hansard* for? Is *Hansard* to be a medium whereby and through which the people of the province can learn of the deliberations of this assembly and either be entertained or educated by what they read therein? Or are we to have simply a closed shop sort of business where only a few selected people have the privilege of reading this publication?

I had the experience last year of people in my riding writing to me asking how they could obtain copies of *Hansard*. They explained that they had written to the proper authorities and were told that the number of printed copies had run out, and that further copies were not available.

It seems to me, Mr. Speaker, that that is the wrong way of going at this problem. Either we are printing this *Hansard* so that the people may read it, or we are not. If we intend that people should know what is said in the assembly, then surely we should print more than 1,200 copies. Surely we keep the subscription price down where it is comparable with the federal *Hansard* and make it available to the people of the province.

Now, to have 1,200 copies distributed as has been suggested in the motion will leave very few indeed for public subscription. Surely we have got to the place where the public should be allowed to read what has gone on in the Legislature; we should not restrain them from reading it as we have been doing this last number of years.

Mr. Speaker: May I say we had no shortage last year, but there was a shortage the year before. We raised the quantity last year from 800 to 1,200 and were able to supply all the needs in 1957. There was a shortage in 1956. Then the price was lowered from \$6 or \$7 to the present rate of \$3 per session.

Mr. Oliver: Can you enlighten me, Mr. Speaker, if I am not transgressing any rule, as to how many copies would be left over after the procedure of distribution is carried out as outlined in the motion?

Mr. Speaker: At the present moment there would be about 600 or 700 copies left over.

Mr. Oliver: About half?

Mr. Speaker: Yes, a little more than half.

Mr. MacDonald: Mr. Speaker, I wonder if I might ask how many subscriptions were there last year from the general public in addition to this?

Mr. Speaker: I would say approximately 125 subscribers.

Hon. Mr. Frost: Mr. Speaker, perhaps you would care to say something about this, because this is a matter which you yourself have really been responsible for. The reason for having the new recording system in *Hansard* reporting is that the proceedings and remarks of the hon. members are tape-recorded, thus enabling us to receive a more accurate *Hansard* than we previously had. I think that it was installed on the recommendation of yourself and the persons in charge of *Hansard* arrangements. Perhaps, Mr. Speaker, you feel that it is desirable to say something about that to the hon. members of the House at this time?

Mr. Speaker: I would just like to say that there were quite a number of copies left over in 1957, so that there is no shortage at the present moment. I would go further and say we would be very glad to fill all orders, and if more than 1,200 are needed, I am sure that the hon. Prime Minister will go along with this and see that the number is increased, since the matter has been left to my discretion.

I would like to make this further statement about the new system. As the hon. members of the House are no doubt aware, the public address system installed in this chamber last year includes an automatic record on tape, of the proceedings in the House, as picked up by the microphones. Comparison of these tapes with the stenographic reports of last year, and experiments conducted in the interval between sessions, has clearly indicated that the transcription from tape recordings is more accurate.

It is therefore my intention to have reports of debates and speeches for this session transcribed by the stenographers direct from the tape records.

It is hoped that accuracy will be substantially increased and that the ever-rising costs of these reports will be reduced.

In order to insure that the record will be as accurate as possible, it is my intention when a debate is in progress to give the floor to each succeeding hon. member or speaker and to designate him orally. I ask you to remember that no hon. member's

microphone is turned on until he rises. Consequently, if an hon. member begins to speak while he is seated, as has sometimes been done, his words will not be recorded until his microphone has been turned on.

Will the hon. members please therefore bear in mind that if they wait until they have been granted the floor orally this difficulty will be obviated and the accuracy of the report will be substantially assisted and improved.

Also, I would just like to say this further, that if there are any doubts as to what is said, we ask hon. members to come to the *Hansard* room where they can hear their own voices and the remarks made.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I may say after your explanation that I am in favour of the motion, but with certain reservations.

Hon. Mr. Frost moves, seconded by hon. Mr. Dunbar, that standing committees of this House for the present session be appointed for the following purposes:

1, on agriculture; 2, on conservation; 3, on education; 4, on game and fish; 5, on government commissions; 6, on health; 7, on highway safety; 8, on labour; 9, on lands and forests; 10, on legal bills; 11, on mining; 12, on municipal law; 13, on printing; 14, on private bills; 15, on privileges and elections; 16, on public accounts; 17, on standing orders; 18, on travel and publicity.

Which said committees shall severally be empowered to examine and enquire into all such matters and things as shall be referred to them by the House, and to report from time to time their observations and opinions thereon, with power to send for persons, papers and records.

Motion agreed to.

Hon. Mr. Frost moves, seconded by hon. Mr. Dunbar, that a select committee of 13 members be appointed to prepare and report with all convenient despatch lists of the members to compose the standing committees ordered by the House, such committee to be composed as follows:

Messrs. Chaput, Child, Elliott, Fishleigh, Gordon, Johnston (Carleton), Jolley, MacDonald, MacKenzie, Morrow, Murdoch, Price and Sutton.

The quorum of the said committee to consist of 4 members.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, it is with very great pleasure I move this motion,

seconded by Mr. Oliver, that Mr. Allen, the hon. member for the electoral district of Middlesex South, be appointed as chairman of the committee of the whole House for the present session.

Mr. Speaker, might I just say in support of this motion that the hon. member for Middlesex South was elected to represent that riding in 1945. The hon. leader of the Opposition will have a longer recollection of that riding as will the hon. member for Brant (Mr. Nixon) than I have and that is also true of the hon. member for Peel (Mr. Kennedy).

But I have recollections of that riding in other days when it was represented by Mr. MacFie, who was a very fine gentleman, and my recollection of him was that he was deeply interested in the problems of education. I think Mr. MacFie was, as a matter of fact, the originator of the committee on education. There was no committee on education at that time. Mr. MacFie really fathered the committee on education which is now one of the standing committees of this House.

Afterwards for a brief interlude from 1943 to 1945, the riding was represented by a person who had a very great personality and character, but I do not think he enjoyed the life in this House. I refer to Mr. Dan McIntyre, whom some of you will of course remember.

Subsequently, Mr. Allen became member in 1945 and has since been a member of this House and I feel sure that the hon. members are very glad to honour him with the appointment as chairman of the committee of the whole House which to an extent, as a matter of fact, is the office of deputy Speaker.

Mr. Allen has been well known for the moderate nature of his views, for the rather non-partisan attitude that he takes to the questions of the day, for the tolerance and understanding with which he approaches the problems he has to meet in this House. I would say that it is a very great pleasure to make this motion, and I feel sure that the hon. leader of the Opposition concurs with me.

Mr. Oliver: Mr. Speaker, I am very choosy about the nominations that I second, and I would not be prepared to second the nomination of many of the hon. members on the other side of the House. But I am pleased, nevertheless, to second the nomination of the hon. member for Middlesex South to that position. As the hon. Prime Minister has stated, he has had a very fine

record in this House, and I know that he will preside over the deliberations of the committee stage in a dignified and careful manner. My only hope and expectation, I might say, is that he will not cry "Carried!" with quite such a clear voice as some of his predecessors have done.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I move that you now leave the chair and that the House resolve itself into committee of the whole.

Motion agreed to.

Mr. Allen: I want to thank the hon. Prime Minister, the hon. leader of the Opposition, and all hon. members for the honour they have bestowed on me today and the confidence they have placed in me. I hope I will always merit it. I intend to be impartial in my decisions, and I ask all hon. members for their co-operation, so that we may preserve the dignity of this Legislature.

Thank you.

Hon. Mr. Frost: Mr. Chairman, I move that the committee rise and report progress.

The Chairman: The committee of the whole House begs to report progress and asks leave to sit again.

Report adopted.

The House resumed, Mr. Speaker in the chair.

Hon. Mr. Frost: Mr. Speaker, as the hon. members of the House know, the first days of the session are of necessity devoted to the organization of the House. May I express the wish that the striking committee, which deals with the personnel of the committees, will do its work as soon as possible so that next week we may get down to the consideration, by the committees, of the large number of important subjects.

The hon. members of the House and the hon. leader of the Opposition will want to know the business for tomorrow and Thursday. Tomorrow the clerk of the House will read and receive petitions tabled today. I understand that tomorrow there will be approximately 40 petitions and the clerk will give a synopsis of these at the time.

There will also be a motion relating to the meeting at 2.00 o'clock on Friday, which I think we found a very acceptable procedure in other days. And then there will be the introduction of a very large number of bills.

I may point out to the hon. members of

the Opposition that perhaps in some other Legislatures or Parliaments the introduction of bills could take place today. But I would say that we are a grass roots party. All of the bills are very carefully considered and processed by the hon. members before introduction and therefore, that means that the introduction, instead of being today, will be tomorrow.

There will also be the tabling of the reports by the hon. Provincial Secretary (Mr. Dunbar).

The motion for an address in reply to the speech from the Throne will take place on Thursday, as I have advised the hon. leader of the Opposition. That motion will be moved by one whom I have referred to before as the most experienced, or at least one of the most experienced, hon. members of the House, and yet one of the youngest—the hon. member for Peel (Mr. Kennedy).

The hon. member for Peel entered this House in 1919 with the hon. member from Brant (Mr. Nixon). These are very remarkable records indeed. I suppose there are few Parliaments or Legislatures anywhere that in 1958 have members elected who are still members of the assemblies to which they were elected 39 years ago. The experiences in this House of my good friend from Peel are many and varied, including a membership for a very fine county, the county which he would express as the “banner county” of this province. Also, Mr. Speaker, he has been Minister of Agriculture and Prime Minister of this province, and he has served with distinction in many other capacities. But I do not think that the hon. member for Peel has ever moved the address to the speech from the Throne, so this will be a new experience for him, one which comes after some 39 years of service in this House.

I would be very glad to accord the hon. member for Brant that honour if he would agree to it, but I am afraid that he might say something in that speech which I would not want recorded on these microphones.

The motion will be seconded by the newly elected hon. member for Glengarry (Mr. Guindon).

Mr. D. C. MacDonald (York South): Mr. Speaker, may I ask the hon. Prime Minister a question with regard to the future business of the House? It has been suggested in the press that this session might be an abbreviated one, or might have an adjournment because of great preoccupation with an election in another place. Will the hon. Prime Minister indicate whether or not this is likely to happen?

Hon. Mr. Frost: I would advise my honourable friend from York South that we have no intention of abbreviating the session, nor do we have any intention of adjourning the session. I think our business is the business of the people of Ontario and we will carry on, with of course due regard to our duties as citizens of Canada. But at the same time we intend to carry out our work as representatives of the people of Ontario, and we hope nothing will come about to abbreviate this session or will cause us to, in any way, limit our concern or deliberations for the very important business that is before us.

I think that this session will be very fully occupied, and would think it will take all of our diligence to reach prorogation by the same time we did last year—I mean in the same period of time as we sat last year. I think it will take all of our efforts and labours to do that.

Hon. Mr. Dunbar: Mr. Speaker, I beg leave to present to the House the following:

1. Pay accounts of the province of Ontario for the fiscal year ending March 31, 1957;
2. The report of the provincial auditor, 1956 and 1957.

Mr. H. Worton (Wellington South): Mr. Speaker, before the orders of the day, I would like to ask the hon. Minister of Reform Institutions a question regarding an article which appeared in the *Globe and Mail* this morning in regard to the disarming of the reformatory guards. I would like to know, Mr. Speaker, if this is to be government policy, and if the hon. Minister thinks that this is a step in the right direction.

Hon. M. B. Dymond (Minister of Reform Institutions): Mr. Speaker, in answer to the first half of the hon. member's question, I would simply say, “yes”. Answering the second half, I think that our answer has already been made perfectly clear in that we have done this, fully believing that it is a step in the right direction.

Orders of the day.

Hon. Mr. Frost: Mr. Speaker, I regret that the hon. leader of the Opposition was outside during the explanation I made concerning the business tomorrow, but no doubt the matters referred to will be communicated to him. I move the adjournment of the House.

Motion agreed to.

The House adjourned at 4.00 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Wednesday, February 5, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1958



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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, FEBRUARY 5, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Clerk of the House: The following petitions have been received:

Of the corporation of Windsor Jewish Communal Projects praying that an Act may pass exempting the Windsor Jewish Community Centre from taxation except for local improvements.

Of the board of trustees of the Roman Catholic separate schools of the town of Lindsay praying that an Act may pass providing for the election of the trustees by means of the regular municipal election machinery.

Of St. Peter's Church, Brockville, praying that an Act may pass authorizing the sale of the rectory.

Of the corporation of Huron College praying that an Act may pass constituting "Huron College corporation", "academic council" and "executive body" and defining their powers.

Of the Stratford Shakespearean Festival Foundation of Canada praying that an Act may pass exempting its lands from municipal taxes except for local improvements.

Of the corporation of the township of Grantham praying that an Act may pass providing for the constitution and election of the council of the corporation.

Of the corporation of the city of Waterloo praying that an Act may pass enlarging the representation of the ratepayers on the civic auditorium commission.

Of the corporation of the township of London praying that an Act may pass authorizing a pension plan for employees.

Of the corporation of the city of Chatham praying that an Act may pass authorizing the corporation to subsidize the bus system in the city; and for other purposes.

Praying that an Act may pass to incorporate Sudbury Young Women's Christian Association.

Of the corporation of the village of Port Perry praying that an Act may pass authoriz-

ing the issue of debentures for the construction of a water supply system.

Of the Royal Victoria Hospital of Barrie praying that an Act may pass enabling municipalities served by the hospital to pass by-laws for grants in aid of the hospital.

Of the corporation of the village of West Lorne praying that an Act may pass authorizing debentures to pay for the construction of drainage works.

Of the corporation of the township of Chinguacousy praying that an Act may pass authorizing the sale of the municipal telephone system to the Bell Telephone Company of Canada.

Of Canadian Pacific Railway Company praying that an Act may pass vesting the assets of certain subsidiary companies in the company and dissolving the said companies.

Of Waterloo College associate faculties praying that an Act may pass granting power to expropriate lands required for the college.

Of Queen's University praying that an Act may pass granting certain powers of expropriation to the university.

Of the corporation of the town of Thorold praying that an Act may pass defining the existing boundaries of the town; and for other purposes.

Of the corporation of the city of London praying that an Act may pass empowering the corporation to acquire land outside its corporate limits for the purpose of parking motor vehicles; and for other purposes.

Of the dietetic association praying that an Act may pass granting to the association the right to regulate the standards of practice of its members and securing to the association the designation "registered professional dietitian."

Of the corporation of the township of Teck praying that an Act may pass validating an agreement between the corporation and certain mining companies for the supply of water to the companies.

Of the corporation of the city of Windsor praying that an Act may pass enlarging the borrowing powers of the Metropolitan General Hospital board; and for other purposes.

Of the Lakeshore district board of educa-

tion praying that an Act may pass reconstituting the board.

Of the board of education for the township of North York praying that an Act may pass enlarging the powers of the board with regard to pensions for non-teaching employees.

Of St. Michael's College praying that an Act may pass continuing the college in federation with the University of Toronto as the University of St. Michael's College and making other provisions in relation to this purpose.

Of the corporation of the city of Toronto praying that an Act may pass authorizing a simplified expropriation procedure for street and lane openings in the city; and for other purposes.

Of the Canadian National Exhibition Association praying that an Act may pass empowering the Minister of Agriculture to delegate another member of his department who is a member of the association to act in his place on the board of directors.

Praying that an Act may pass incorporating the Chartered Institute as Secretaries of Joint Stock Companies and other Public Bodies in Ontario.

Praying for an Act to incorporate the Society of Professional Directors of Municipal Recreation in Ontario.

Of the corporation of the city of Belleville praying that an Act may pass authorizing the appointment of a city manager; and for other purposes.

Of the board of education of the city of Sault Ste. Marie praying that an Act may pass providing for a two-year term for members of the board.

Of the synod of Toronto and Kingston of the Presbyterian Church in Canada Limited praying that an Act may pass enlarging its powers and deleting the word "limited" from its corporate name.

Of the corporation of the town of Fort Frances praying that an Act may pass authorizing a pension plan for employees of the corporation, or any board thereof, and their families.

Of the corporation of the township of Sunnidale praying that an Act may pass authorizing a debenture issue to pay the cost of construction of a community hall at the village of Lowell.

Of the corporation of the town of Almonte praying that an Act may pass authorizing a debenture issue for sewer and water works construction.

Of the corporation of the village of Long

Branch praying that an Act may pass confirming a by-law equalizing special assessments for road construction in the village.

Of the corporation of the city of Fort William praying that an Act may pass authorizing a pension plan for employees of the city, of boards thereof, and their families.

Mr. Speaker: Presenting reports by committees.

Motions.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I move, seconded by hon. G. H. Dunbar, that commencing on Friday night, February 7, and thereafter on each Friday of the present session of the assembly, this House shall meet at 2 o'clock in the afternoon and that provisions of Rule No. 2 of the assembly be suspended so far as they may apply to this motion.

Motion agreed to.

Hon. G. H. Dunbar (Provincial Secretary): I beg leave to present to the House the following:

1. Twelfth annual report of The Department of Travel and Publicity for the calendar year 1957.

2. Report of the hon. Minister of Public Works of Ontario for the fiscal year ended March 31, 1957.

Mr. Speaker: Introduction of bills.

SCHOOLS ADMINISTRATION ACT, 1954

Hon. W. J. Dunlop moves, first reading of bill intituled, "An Act to amend The Schools Administration Act, 1954."

Motion agreed to; first reading of the bill.

He said: May I say, first of all, that every one of these bills which I propose to introduce goes to the committee on education for consideration in due course. This particular bill defines an itinerant teacher and explains how an itinerant teacher participates in the superannuation fund.

It also has a number of amendments regarding the appointment of supervisory officers, allowing any ratepayer to inspect the books of a board at reasonable hours, to provide for the biennial election of trustees if the council concerned is elected by ballot, finding a school site and stating what buildings may be constructed on such a site, providing for payment of school taxes by inhabitants of trailers, and fixing payment for arbitrators in the case of boards of reference.

THE ONTARIO SCHOOL TRUSTEES COUNCIL ACT, 1953

Hon. Mr. Dunlop moves first reading of bill intituled, "An Act to amend The Ontario School Trustees Council Act, 1953."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill introduced at the request of the Ontario school trustees council provides that, when a representative from a member association is vice-chairman or past-chairman of the council in any year, such association may appoint a third representative to council for that year and shall designate the two representatives who shall have the right to vote at meetings of council. That, of course, goes to the committee on education as well.

THE DEPARTMENT OF EDUCATION ACT, 1954

Hon. Mr. Dunlop moves first reading of bill intituled, "An Act to amend The Department of Education Act, 1954."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill provides the mechanics for operating a provincial student aid fund.

THE FARM PRODUCTS MARKETING ACT

Mr. D. C. MacDonald moves first reading of bill intituled, "An Act to amend The Farm Products Marketing Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, by way of explanation, I might say that the present Act stipulates that any affirmative vote in establishing a marketing scheme must represent 51 per cent. of those eligible to vote. This would amend the Act so that whatever be the prescribed percentage in a specific marketing vote, it will be calculated on the basis of those voting rather than those eligible to vote, so as to remove that undemocratic feature.

THE ANATOMY ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to amend The Anatomy Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in explanation of this bill—and I might say that I believe the hon. Minister of Health (Mr. Phillips) will have a complementary bill in due course to introduce

—perhaps I should, for the benefit of the House, just explain the principle of this bill. It would delete subsection 4 of section 3 of of The Anatomy Act and by doing that it would provide more anatomical material for the 4 medical schools in Ontario, namely Toronto, Queens, Western and Ottawa.

THE BEACHES AND RIVER BEDS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to repeal The Beaches and River Beds Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this Act has been used only once in the 46 years since it was passed, and the removal of sand and gravel from beaches and river beds is regulated by another Act, The Beaches Protection Act, so it would seem advisable to repeal this Act.

THE CONDITIONAL SALES ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Conditional Sales Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the present section 14 of The Conditional Sales Act limits the persons who may make a verifying affidavit or sign a renewal statement for a corporation to certain named officers such as president, vice-president, manager; this is changed to delete the named persons and insert any officer, employee or agent.

THE COUNTY COURTS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The County Courts Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in the county of Waterloo, it seemed desirable to enable the sittings there of the county court in the autumn to commence a week later than at present and that is the effect of this amendment.

THE GENERAL SESSIONS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The General Sessions Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this is the same type of amendment to deal with the general sessions in the county of Waterloo.

THE DESERTED WIVES' AND CHILDREN'S MAINTENANCE ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Deserted Wives' and Children's Maintenance Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this amendment will make available garnishee proceedings as a further method of collecting monies due under orders that are made under this Act that are filed in the division court.

THE INTERPRETATION ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Interpretation Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the present Act defines Her Majesty as the Sovereign of Great Britain, Ireland, the British Dominions beyond the seas for the time being. This amendment will bring the definition in line with the present-day wording for Her Majesty's titles.

THE JUDICATURE ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Judicature Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this change means that local registrars of the supreme court appointed after April 1, 1953, on salary as full-time employees, do not retain fees in respect to examinations or records. That is the practice, and the amendment clarifies the law in that respect.

THE MAGISTRATES ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Magistrates Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the change contemplated by this amendment will enable regulations to be made, in addition to other things such as safekeeping inspection and so forth, to effect the destruction of obsolete papers of magistrates.

THE COUNTY JUDGES ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The County Judges Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, under the present section, the oath of office of a county court judge must be taken before a person appointed for the purpose by the Lieutenant-Governor, and this requires an order-in-council. The change allows the senior judge in point of time in the district where the new judge will be sitting to administer the oath of office. A similar change is being made in the swearing in of a surrogate court judge by a similar amendment which I will introduce in a moment.

THE SURROGATE COURTS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Surrogate Courts Act."

Motion agreed to; first reading of the bill.

THE MORTGAGES ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Mortgages Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this change provides that where a judgment has been obtained in a foreclosure action, any person having a subsequent lien or encumbrance must receive 10 days' notice of the judgment. He will then be able to stay proceedings by paying costs in arrears if he, so wishes, which is the prerogative of the mortgagor at the present time, but not as the law now stands extended to an encumbrance of that sort.

THE PUBLIC TRUSTEE ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Public Trustee Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this amendment provides for a second deputy public trustee.

THE SUMMARY CONVICTIONS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Summary Convictions Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this change permits bails be granted by the police officer of any police station for people locked up with respect to offences under any Ontario statute. At present, bail can be granted only by police officers in stations in cities and towns.

THE MECHANICS' LIEN ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Mechanics' Lien Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, I might say that all of these bills will probably go to the committee on legal bills, and this one certainly will. A subcommittee, composed of experts in mechanics' lien work of the administration of justice committee, recommended these changes. They are all aimed at smoothing out the procedure and bringing The Mechanics' Lien Act up to date.

THE LAND TITLES ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Land Titles Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this amendment clears up a number of minor amendments to tidy up the legislation, but it also deals with one major amendment made necessary by a decision rendered by the court of appeal in a case known as Gates vs. Kiziw, given on May 3, 1957.

Up until that time, a possessory title, it was thought, could not be obtained no matter how long one might be in adverse possession of land under The Land Titles Act. However, by reason of a distinction in the wording of two different sections and of the Statute of Limitations, the court of appeal has arrived at the decision which indicates that that basic principle of The Land Titles Act is not entirely secure as the legislation now stands. The amendment will make certain that for the future it is so secure.

THE CERTIFICATION OF LANDS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to Provide for the Certification of Lands."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill will go to the committee on legal bills, too. This House will recall that last year a bill intituled, "The Certification of Plans of Subdivision Act, 1957" was enacted with a provision that it would not become effective until it was proclaimed. The purpose at that time was to give ample time for study of this bill, particularly by people who would be using the provisions of the bill or the Act in day-to-day transactions.

Now, since the adjournment of the House last year, there have been sittings of a subcommittee studying this, assisted by our own registrars and other officials, and it is as a result of a considerable amount of work done in that respect that the Certification of Titles Act, 1958, is produced to replace the earlier Act.

In general, however, it is similar to the Act of 1957, except for two changes.

First, the scope of the Act is broader in that it extends the right to any person who is the owner of land in fee simple to apply to have his title investigated and certified. This provision extends to any owner and is permissive only.

Secondly, the administration of this Act will be under the director of titles appointed under The Land Titles Act. This will make use of present buildings, personnel, and make the administration of it more pleasant and more economic.

ROAD ALLOWANCE IN TAY TOWNSHIP

Hon. C. E. Mapledoram moves first reading of bill intituled, "An Act respecting the Road Allowance Between Lots 15 and 16 in Concession 8 in the Township of Tay."

Motion agreed to; first reading of the bill.

He said: This bill is to establish the road allowance between lots 15 and 16 in concession 8 in the township of Tay.

THE PROVINCIAL LAND TAX ACT

Hon. Mr. Mapledoram moves first reading of bill intituled, "An Act to amend The Provincial Land Tax Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the purpose of this bill is to improve the administration practices under the Act by dividing the province into 3 areas and assessing the land in each area every 3 years.

FAIR ACCOMMODATION PRACTICES ACT, 1954

Mr. R. Gisborn moves first reading of bill intituled, "An Act to amend The Fair Accommodation Practices Act, 1954."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill is designed to bring apartment houses under The Fair Accommodation Practices Act. We find that surveys in Toronto and Hamilton, which were conducted regarding this situation, brought

out the fact that great difficulties were experienced, particularly in the case of coloured people looking for, and attempting to find, good rental accommodations.

THE VITAL STATISTICS ACT

Mr. G. H. Dunbar moves first reading of bill intituled, "An Act to amend The Vital Statistics Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, there are 3 sections to this bill. The first section permits the Registrar-General to allow the larger municipalities to appoint one or more officials outside the clerk. According to the Act at the present time, only the city clerk can sign all documents such as marriage, death, and birth certificates. We want to make it possible that the Registrar-General may appoint one or more to assist the clerk.

Section 2 concerns a change of name. It has never been possible in the province of Ontario, although it has been in some other provinces, that the person leaving Ontario and going to New York state or any place else, and had his name legally changed there, could have the change noted on the birth certificate in the province of Ontario. Now we want to make that possible if sound, but I want this to go to the legal bills committee so that the lawyers who have had the experience will decide on this when it comes under The Change of Name Act.

The third section is merely giving our department—the Registrar-General's department—the power to appoint persons other than the assistant Registrar-General, two or more, to sign the documents. The number of marriages totalled more than 45,000 last year, which meant there were a lot of certificates for one man to sign. Therefore we want to enlarge on that.

THE CORPORATIONS ACT, 1953

Mr. Dunbar moves first reading of bill intituled, "An Act to amend The Corporations Act, 1953."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, there is nothing to this, only a little tidying up. Last year, when we made amendments to this Act, when we were changing the wording concerning "deliver to" the Provincial Secretary, we should have included the word "mail" to the Provincial Secretary. The change concerns the word "deliver". That is all the change in that.

THE CORPORATIONS INFORMATION ACT, 1953

Mr. Dunbar moves first reading of bill intituled, "An Act to amend The Corporations Information Act, 1953."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this change is complementary to that in the preceding bill. It concerns changing the one word from "deliver" to "mail".

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, before the orders of the day, I have a question to ask of the hon. Attorney-General (Mr. Roberts). Does this government intend to introduce any legislation at this session, relating to the review or appeal of decisions by administrative boards under the jurisdiction of the province of Ontario?

Hon. Mr. Roberts: I thank the hon. member for having arranged to send a memo to my office a few minutes before the opening of the House, advising me that this question would be asked.

A study by the civil liberties committee of the Canadian Bar Association, to which committee the subject matter of this question was referred by my department, is presently proceeding. This committee is sitting here in Toronto this weekend, in conjunction with the mid-winter session of the Ontario section of the Canadian Bar Association.

The House will receive the benefit of the study and will have an opportunity, I expect, to pass on legislation to be submitted in due course, but I would assure the hon. member for Waterloo North and this House that the legislation, when submitted, will bear little resemblance to what I dubbed last year as the "lazy lawyer's bill", introduced by my hon. friend last year.

Mr. Wintermeyer: Mr. Speaker, may I ask a supplementary question? Will the hon. Attorney-General introduce any legislation this year? Now, he has promised on 3 distinct occasions that in due course he would introduce legislation. Will he, or will he not, do so during this particular session? It might be better to have a lazy man's start on this than to have nothing at all.

Hon. Mr. Roberts: My answer is quite clear on this, and if these machines are recording accurately I think I have already given a clear answer.

Mr. Wintermeyer: Mr. Speaker, a second question, and this is addressed to the hon. Prime Minister.

Does the reference in the speech from the Throne, in relation to credit restrictions to assist private and public investments, refer to actions already undertaken or to be undertaken by the federal government, or to actions to be undertaken by the government of the province of Ontario at this session?

Hon. L. M. Frost: Mr. Speaker, I think that the two paragraphs of the Throne speech were devised by those who advised the Honourable the Lieutenant-Governor to deal with the broad economic position of the country. Now I would say to my hon. friend, and he is, I think, a very able lawyer, that I have no doubt he knows that the matter of credit is one entirely for the federal government. The matter of credit restrictions as we understand them, and as we refer to them here, has no reference to any power of the provincial government. I would say to my hon. friend from Waterloo North that, with others, I was highly critical of the credit restrictions which were imposed.

I may say that this, of course, is a matter which can be discussed in the Throne debate, but I am very happy because of the relaxation of the credit restrictions. These, of course, were imposed over a period of time, in fact some years. I do not have the figures before me. Correspondingly, of course, the relaxation of credit restrictions have to take place over a period of time. I am happy that there is a retreat from the former position at the present time. I hope it will continue.

Mr. Wintermeyer: Mr. Speaker, may I just ask what may be termed a supplementary

question or a clarification? Hon. Prime Minister, the question was not intended to be facetious in respect to the obvious fact that, by and large, what we call credit restrictions are under the jurisdiction of the federal government. My inquiry was to know whether that is what was referred to, or was it to the possibility that this "progressive" government might undertake what many bankers and economists have suggested, and that is, some credit assistance or legislation which would permit further borrowing, or assistance borrowing-wise, at the municipal level.

Now, in respect to the latter portion, does this government intend to do anything about the restrictions on credit that currently confront our public bodies at the municipal level?

Hon. Mr. Frost: I would say to my hon. friend that of course the reference was to credit restrictions that are solely and wholly a part of federal jurisdiction. As regards the other matter, those things will be developed as this session proceeds.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost: Mr. Speaker, that concludes the agenda for today and, in moving the adjournment of the House, I wish to advise the House that tomorrow the addresses of the mover and the seconder of the motion for an address in reply to the Speech from the Throne will be made. I move the adjournment of the House.

Motion agreed to.

The House adjourned at 4.00 of the clock, p.m.

Legislation in England

1880-1881

Legislation in England

1880-1881



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Thursday, February 6, 1958

Speaker: The Honourable A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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1958



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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, FEBRUARY 6, 1958

3 O'CLOCK P.M.

THE CANCER ACT, 1957

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petition has been received:

Of The South Peel board of education praying that an Act may pass re-constituting the board.

Presenting reports by committees.

Motions.

Hon. G. H. Dunbar (Provincial Secretary): I beg leave to present to the House the following:

1. Fourteenth annual report of the civil service commission for Ontario for the fiscal year ended March 31, 1957.

2. Thirty-seventh annual report of the public service superannuation board.

3. Report of the provincial auditor on the public service superannuation fund for the fiscal year ended March 31, 1957.

4. Report of the provincial auditor on the public service retirement fund for the fiscal year ended March 31, 1957.

Mr. Speaker: Introduction of bills.

THE TEACHERS' SUPERANNUATION ACT

Hon. W. J. Dunlop moves first reading of bill intituled, "An Act to amend The Teachers' Superannuation Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, you will probably remember that at the session of 1957, arrangements were made to admit to the benefits of the teachers' superannuation fund those teachers in independent or private schools who hold Ontario teaching certificates. At that time, we had not provided for teachers in those schools who are on part-time duty teaching music, art, crafts and so on. This brings them under the same regulations as obtained for teachers in our own elementary and secondary schools.

Hon. M. Phillips moves first reading of bill intituled, "An Act to amend The Cancer Act, 1957."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this is a simple amendment in order to expedite the transaction of business of our cancer institution and our cancer foundation. At the present time, our legislation reads that a quorum consists of 7 members. We now have in the Ontario cancer institute, 12 members and have in the Ontario research and foundation no fewer than 7 members.

We would like for this purpose to reduce the number needed to form a quorum from the majority of the members to 5 members.

THE CEMETERIES ACT

Hon. Mr. Phillips moves first reading of bill intituled, "An Act to amend The Cemeteries Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the purpose of this amendment is to remove any doubt that the hon. Attorney-General may direct a disinterment for the purpose of a criminal investigation when no proceedings have been instituted.

THE TOURISTS' ESTABLISHMENT ACT

Hon. B. L. Cathcart moves first reading of bill intituled, "An Act to amend The Tourists' Establishment Act."

Motion agreed to; first reading of the bill.

He said: The purpose of the bill is to include, in The Tourists' Establishment Act, the provisions relating to the licencing of tourist outfitters which are now contained in and will be deleted from The Game and Fisheries Act; and to authorize the regulation of tourist establishments licenced under The Liquor Licence Act where the need arises. The words struck out by subsection 1 of section 2 of the bill are redundant.

THE MUNICIPAL UNCONDITIONAL GRANTS ACT, 1953

Hon. W. K. Warrender moves first reading of bill intituled, "An Act to amend The Municipal Unconditional Grants Act, 1953."

Motion agreed to; first reading of the bill.

He said: This amendment will be of particular interest to a number of representatives, particularly the hon. member for Brant (Mr. Nixon). There are some 11,662 Indians in Ontario living in different counties who do not constitute under the present formula. They are not enumerated as people who would count in the assessed population for the purposes of the unconditional grant in aid of administration of justice.

It is felt that it is only proper that these 11,662 people should be accounted in some way, and this amending act provides for the monies ascertained in that manner to go to the counties concerned.

Mr. Speaker: I have the very pleasant duty of informing the House that one of our hon. members, the member for Victoria, the hon. Prime Minister of this province (Mr. Frost), was signally honoured about an hour ago, when he was made an honorary member of the Parliamentary press gallery—a very distinctive honour indeed.

I am sure the hon. members would want me to congratulate the hon. Prime Minister on this honour, the first to be conferred on a Prime Minister of this province in its long history.

I would also like to warn all the hon. members that the hon. Prime Minister is now one of the gentlemen of the press, and to be careful of what they say in his hearing.

On behalf of all hon. members of all parties, I congratulate you, sir, on the high honour bestowed upon you, and trust that you will long be spared to enjoy the privileges that go with membership in that distinguished fraternity.

Hon. L. M. Frost: Mr. Speaker, I am very grateful to you for raising this point before the orders of the day are called. It is very good of you.

May I say that it was a very great pleasure and surprise to receive this card which indicates my election to membership of the press gallery. I may say, I will be on my good behaviour for the year 1958.

I had the opportunity of expressing to the members of the press my very inadequate thanks, as will be what I say now. I am not deserving of this honour. I never-

theless appreciate it very much. My recollection is that it was Edmund Burke—perhaps some of the members here can correct me if I am wrong—who in referring to the press in other days said: "There sit the lords spiritual and the lords temporal and the commons. But there is another estate, the fourth estate, who sit in that gallery opposite who are more important than the other three." That I think was the origin of the expression "fourth estate." I may be wrong but at least that is what gave colour to that statement.

I expressed my gratitude to the press for something which I knew was extended to me, not as a person, but as one representing the elected members of the Legislature. I would say that I told them I accepted this honour with humility, recognizing that those of us who are among the elected members, who are reported by the press, are often unmindful of the difficult task that these gentlemen have.

Mr. Speaker, through you I thank them again. I thank them on behalf of all hon. members for this reason that I know that the honour which has been extended to me, and I am sure through the honour which was extended to you a year ago, was in recognition of the fact that we are representatives of the elected members of this House.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, I would like to add a word of congratulation for this signal honour which has been bestowed upon the hon. Prime Minister. I cannot decide which will be the greater benefactor, the press or the hon. Prime Minister. I am reminded of the suggestion from time to time that there was some difficulty, some reticence on the part of the hon. Prime Minister in giving out information to the press. In that respect I am reminded of the old adage that says: "If you can't win them, take them into the fold." But seriously, I am happy that this honour has come to the hon. Prime Minister, and feel that it is not only an honour to him but to the Legislature as a whole.

Mr. D. C. MacDonald (York South): Mr. Speaker, I would like also to add my congratulations. As a person who in times past has had some association with the press, I can assure the hon. Prime Minister that he has joined an honourable fraternity. But you may have noticed, Mr. Speaker, and the hon. Prime Minister may have noticed, that it has now become the habit that when one joins the press, he also joins the Newspaper Guild, and I am looking forward to the hon. Prime Minister doing that in the near future.

Mr. Speaker: Orders.

Mr. MacDonald: Mr. Speaker, before the orders of the day, I have a question which I would like to address to the hon. Prime Minister.

Wednesday's edition of the Kirkland Lake *Northern News* carries under a banner headline TRI-TOWN FARMERS PROTEST PIPE PACT, the story of how farmers in the Temiskaming area are being high-pressured and threatened into signing contracts offered them by the Trans-Canada Pipe Line Company. In fact, last night these protests were climaxed in a meeting at Earlton.

Although the company states that it is not planning to resort to expropriation, farmers are being told privately by the company's agents that either they sign or they will be forced to agree in one fashion or another.

Now my question is, what steps has the provincial government taken to protect the interest of individual property owners against this kind of high-pressure tactics on the part of the company?

Hon. Mr. Frost: Mr. Speaker, I may say that I just learned of this matter when the hon. member drew it to my attention. I immediately attempted to contact Mr. Crozier, the fuel controller, who has most of these things under his review, but he is out of the city and therefore it is impossible to say what the situation is from his angle.

However, I point out to the hon. member that his question is this, that while the company states that it does not plan to resort to expropriation, farmers are being told by the company's agents that either they sign or they will be forced to agree. That is in the memorandum the hon. member gave me.

Now, I point out that last year or the year before, with a good deal of care, legislation was passed which was designed to protect the rights of the individual, and at the same time give the necessary power and authority to conduct operations properly—something which is I think agreed to be in the public interest.

Although perhaps some of us may have differences as to the method of construction, I think it is agreed that it is essential that gas be piped here from the west.

The plight I think is this, and perhaps this is served by the hon. member's question: I do not suppose there is anything that I or any other human agency can do to prevent persons who are attempting to get agreements from saying things which they should not say. They have absolutely no right to say to these farmers or anyone that they will be forced to sign. As a matter of fact, the farmers' rights

are provided by the statute, and I would assure the people that they cannot be shoved around, that their rights are as defined and stated in the statute, and they are entitled to the compensation.

I do not think I can say to the hon. member anything other than that. I will make further inquiry relative to the matter. I will ask Mr. Crozier and will find out the background of that particular situation.

Mr. MacDonald: Mr. Speaker, would the hon. Prime Minister consider going this one step further:

For example, in the instance of some of them, who are Veterans' Land Act holders, I understand that the federal government has assured these people that they will be provided with legal advice and lawyers to protect their interests.

But there is another great group of people there who do not happen to have the protection of The Veterans' Land Act. It seems to me this is an old story. It has occurred in many other places in the province.

Will the government give assurances to these other people that they will be provided with legal advice so whatever pittance they may get from the company will not be eaten up in legal advice fees if they are going to protect their interests?

Hon. Mr. Frost: I will be very glad, Mr. Speaker, to look into the whole subject. I would not want to make any statement at the moment because I do not know the details of the problem.

Mr. Oliver: I am not sure of the statute at the moment, but does the company possess the power of expropriation?

Hon. Mr. Frost: I think the company does. Again I received this just before I entered the House, and I have not had the opportunity of looking up the statute of last year or the year before, but I think the company has the power of expropriation.

Mr. Speaker: Orders of the day.

SPEECH FROM THE THRONE

First order, consideration of the speech of the Honourable the Lieutenant-Governor at the opening of the session.

Mr. T. L. Kennedy (Peel): Mr. Speaker, I would ask leave to move, seconded by Mr. F. Guindon (Glengarry), that a humble address be presented to the Honourable the Lieutenant-Governor of Ontario as follows:

May it please Your Honour:

We, Her Majesty's most dutiful and loyal subjects of the legislative assembly of the province of Ontario now in session, beg leave to offer our humble thanks to Your Honour for the gracious speech which Your Honour has addressed to us.

Mr. Speaker, may I say how proud I am to be given this opportunity to make this address. I feel this is going to be a history-making session of the House. I also feel that I have very good friends in every part of the House and it is rather nice to talk to one's friends in a formal way.

Last night I had a surprise. My 6 grandsons expressed a wish to come down here. They saw their principal and got permission to visit the Legislature and they are now sitting in the gallery. I am proud that I speak before them. I hope that some day one will have the honour to be a member of this House. As we know, the fibre of a family makes a nation. I believe in the family life; there is nothing that can take its place.

In this House we have heard a lot about Lindsay in Victoria and Haliburton, but I would like to say there is another place that to my mind is much more important. My family has been around Dixie well over 150 years, and last Sunday, Mr. Speaker, I had the privilege of taking communion with 3 generations of my family. I do not know whether it is just family pride but it makes me happy when I go to church and see my children and my grandchildren there with me. That is the sort of thing that holds a country together.

I want to congratulate you, Mr. Speaker. One can be elected Speaker, but the Speakers in this House must have the respect of all parties before they really are Speakers of the House, and I am sure the hon. member for Brant (Mr. Nixon) will join with me when I say that all the Speakers in this House since 1919 have been good. They have been excellent and have enjoyed the confidence of all the members irrespective of party. You, Mr. Speaker, have carried on that great tradition.

It is rather regrettable that when we come together we have to face some vacant seats due to death. "Tommy" Thomas was born in Peel county where all good people come from, as a rule. He went to school there, went to Streetsville High School, and then to the Ontario Agricultural College at Guelph and then entered the government service. One of the happy recollections I have of his life was that when he made the opening speech the first year he was made a Minister, his family

sat in the gallery. Later he took them around to show them the farm on which he was born, the house he lived in and the schools he went to. He was proud to show his family the scenes of his boyhood. I think I came close to Tommy Thomas that day.

Then, too, we have lost the greatly respected "Tom" Pryde, who was one of the most popular men in this House. It is regrettable. One never thought of Tom Pryde without thinking of Mrs. Pryde. They were inseparable.

We mourn both of these men.

I want to say a word about Dana Porter. Dana was a rather particular friend of mine, and always has been since coming into this House. I won't say I regret his going. I think the supreme court is going to be enhanced by his appointment. I will say this about him:

Dana Porter came into The Department of Planning and Development under great difficulty. He became Provincial Secretary, then Minister of Education, then Attorney-General, and then Treasurer.

I am not as afraid of the hon. Prime Minister as I used to be. I have now overcome the fear I once had of him, but if he were not here, I might say he was the best man all those portfolios ever had. I cannot say that with him being here.

I have seen many changes in this House. I have known the hon. member for Brant for 39 years. During that time he and I became very friendly. He "goes off" every four years for some reason. He gets a little moonstruck or something, but outside of that he is a fine gentleman, and if I got into trouble anywhere around Brant County, I would call on him just as soon as I would anyone else. He might grumble about "these Tories" getting into trouble, but I am quite sure he would come and help me.

And the same with the young man who leads the Liberal Party, who has had over 30 years in public life, entering the Legislature in 1923. What a wealth of exchanges we have had! They came young in those days and they stayed young.

I want to say a word about the hon. new members. I want to say this, Mr. Speaker, that we have some of the best new members we have ever had in this House. The House changed in 1919, changed again in 1923, changed pretty well in 1926, and completely changed in 1934, and Mr. Speaker, there was not one Conservative elected from Toronto to Windsor, not a man! My, the province must have suffered for that!

Then, after the next election you and I

were the only two, Mr. Speaker, but we soon changed that. We got going. I would say this to the new members, if they enjoy 50 years of public life like I have, they will be very happy indeed. If they form the kind of friendships in this House that I have from 1919 to the present time, they will have a great joy. I advise them not to worry about things too much.

We are inclined to worry about things that never happen. I have worried and worried my life out about something that happened only to find no one else was concerned.

I want to recall something which was given to me in 1930. I think all through my public life from that time on, this has been the keynote of my life:

I gave a beggar, from my little store
of wealth, some gold:
He spent the shining ore, and came again,
and yet again,
Still cold and hungry as before.

I gave a thought, and through that
thought of mine,
He found himself—the man supreme,
divine—
Fed, clothed and crowned with blessing
manifold,
And now he begs no more.

I think that is the essence of government service.

As I have said, I have seen many changes. I have sat in this House with the father of the hon. member for St. David (Mr. Price), the hon. member for Riverdale (Mr. Macaulay), the hon. Minister of Planning and Development (Mr. Nickle), the hon. member for Sault Ste. Marie (Mr. Lyons), the hon. member for Frontenac-Addington (Mr. Rankin), and also with the father of the Clerk of the House, and I still remember—I find myself referring for a minute to the hon. member for Brant—perhaps some of us remember the long speech he gave on that multiple voting bill. He started and would have been going yet if he had not talked the bill out. He spoke for, I think, nearly 5 or 7 hours.

I also have a word to say about the hon. member for York West (Mr. Rowntree). I have a very kindly feeling towards him. Some 55 years ago, when I got into municipal life, one of the men I was told I must see was his grandfather.

The hon. member's grandfather was called the "salt of the earth" and as he went, many other people would go.

The hon. member looks exactly like him except he hasn't a whisker. In those days one

grew whiskers, of course. When I went to see him, his first words to me were: "Well, you had better grow a whisker before you run for municipal life," and we talked for a bit. Then he said: "Well, I will vote for you, I will give you one year's trial," then he remained my staunch friend until he died. I have a kindly feeling for the hon. member because of his grandfather. I feel that if the hon. member follows in his grandfather's footsteps, he will be a very happy man indeed.

May I say thanks to 3 members who have been particularly good to me. I live in the southeast corner of my riding, a long way from Halton. The hon. member for York North (Mr. Mackenzie) lives near the northwest part of my riding, almost right beside my riding, and he takes a multitude of people from me. He covers up my sins and helps me in many ways.

The same can be said for the hon. member for Wellington-Dufferin (Mr. Root). He lives right beside my border. He, too, is a good man and is much closer to thousands of my voters than I am and I know they go over to him, and that he gives them comfort.

I want to thank the hon. member—and also the hon. member for Halton (Mr. Hall). Sometimes I am not sure whether he lives in Peel or Halton but he must be over in my county half the time; he gets his mail in my county and he helps me tremendously. I want to say to the 3 hon. members: "Thank you very much."

Last year, many things happened in this country of ours. There were the reactions to the satellites and the cold war and other activities. I have read for years of the world coming to an end but it has never happened yet and I have faith that it never will. I was a particular student of Genghis Khan whom so many should know about; it must be about 700 to 800 years ago that he lived, and killed 20 million people. It is said that Asia Minor has never been the same since.

He came close to conquering the world but something intervened, and something will always intervene to protect people who believe in our free way of life.

The thing that transcended all that happened last year was the visit of our Queen to open Parliament in the capital of Canada. I followed her visit with attention by television, and there was pride in my heart—and I might say also, Mr. Speaker, there was a tear in my eye. Why that was there I do not know, but all through that television show, the tear stayed in my eye and the pride stayed in my heart. I remember her father and mother. I remember shaking hands with them at the

spot where the clerk's table stands now. I remember meeting her grandfather and grandmother. I remember her grandfather on his black horse inspecting us as we left for France, and I can remember King George V and the Queen at a luncheon, and shaking hands with them.

I never had the tear in my eye that I had with the present Queen. She holds us closer together than all the man-made laws put together, and she will continue to do so.

I would like to say a word of congratulation. I have not got down to — and I am not going to get anywhere near—the address. I might say, Mr. Speaker, that I am allowed quite a bit of latitude.

I want to say a word about lands and forests. The subject has always been close to me because agriculture and lands and forests interlock quite a bit, as both are natural resources. In earlier days, we had no conservation-minded people as we have now and so the natural resources were exploited. Why? Because our forefathers had to do so. Land was purchased and the trees cut to give men work. That is something that we would never dare do now, but had we not done it then, dear knows what would have happened to people of this province who could not get other work. In 1908 we cut 800 million board feet of pine lumber. We could not afford that.

Today we realize the importance of conservation. I remember in 1920 when the hon. member for Brant, then Provincial Secretary, brought in the Kapuskasing pulp mill and we rented land adjacent to it so that land would be retained by the Crown and could, at any time after so many years' notice, be used for farming or any other purpose.

Another thing I am very keen on is probation. In 1908 we started to study that and it has gone a long way. I know most of the hon. members in this House have tried to get a job for some man who had served time in Guelph or Burwash or somewhere else. They are not taken on very readily and I have spent a lot of time, as every hon. member of this House has, trying to place them. Now, since we have the probation officer he has taken care of that.

I want to say how pleased I am about that, and I also want to point out to the hon. Attorney-General (Mr. Roberts) that there are far too many men in jail.

There are two kinds of crime—deliberate crime and careless crime. I think that there should be probation power given to magistrates and judges so that in some cases the offender can remain with his family, con-

tinue to earn a living, and avoid the stigma of being in jail.

I go back to J. W. Hanna when he was Provincial Secretary. He studied the people in jail and wondered why they were in jail. He found out that in so many cases the father had been killed and the widowed mother had had to go out to work. As a result the children ran the streets. From that, Mr. Hanna originated the mothers' allowance. He said that it would be cheaper to hire the mothers to look after the children. It was a great success and I think that he did a wonderful job of work. Now we can go to another step forward in this work by increased probation.

The authorities used to hang a man for stealing a sheep. They stopped hanging them and men stopped stealing sheep. Now that is rather strange but that is what happened. They used to hang a man for stealing and I believe that we can cure men—nobody is born into this world a criminal. A person becomes a criminal for several reasons—a lot of the parents make them criminals, too much love, or it might be that they do not have the right home environment, but somebody makes people criminals after they are born into this world. I think we can find a new way of dealing with punishment or crime prevention.

I want to say a word about the farm situation. First might I say a word about the hon. Minister of Agriculture (Mr. Goodfellow). He is a personal friend of mine, and I claim some of the credit. I went down to his first convention and he was elected after that. I think some of the things I said must have helped him because he has come a long way since then and I have had a great pride in all the departments he has been in. I do not want anyone else to say he is the best Minister, but I will say he is the best when I am not in the House, but when I am in it, I won't say it.

One of my best friends and his best friends told me about a month ago right to my face that he is the best Minister we ever had in this department. I said yes, but I did not like him telling me that. I have a great belief that our present hon. Minister is one of the best men we ever had.

The hon. members do not realize when they ask him to go out just how busy a man he is. He has at least 500 invitations every year for a night meeting and he has to go out to school as it were, to study. When he goes through Ontario, he cannot go on the King's highways, he must go through the townships. He must attend many

farm meetings, in order to know what the farmers are speaking of. It will take at least 60 days to cover the province in this way.

He may write to the agricultural representative saying: "I saw a lot of poor farms there, why?" From that "why" may come some solution and make him a little happier.

Farming has always been pleasant. I have been so happy in it. Farming has been one of the great joys of my life. At 18 I had consumption, and hon. members will recall that then people died when they got consumption. But I happened to live through it, and I became a farmer, and no one could be happier than I have been, in my profession of farming, the oldest profession known to anyone in this world.

I think that we farmers consider it a way of life and do not ever make any excuses for it. These are the proud people, proud that we are not like the manufacturer who buys this and this and makes that—his known quantities—we have no known quantities. We have soil but we have to have water, soil is no good without water, and we have to have sun. We have nothing to do with water and sun and we have the unknown quality to become great gamblers. But we have always had 7 lean years and 7 fat years, all through the ages, and things have evened up. We can work with nature, so we are all right.

About 100 years ago, this province grew about 70 to 80 million bushels of wheat. It was a big crop. Now they grow about 18 million and it is a small crop which does not amount to much in our farm economy. It is a nice crop to get in in the fall and one gets it off early. It is a nice crop to grow.

When one becomes an old farmer like myself, it is hard to quit growing wheat. The farmer gets it through the thresher and he gets it in his hands, and it is like gold—he is like a miser with gold. I grew wheat many years after I lost money on it just for the pleasure. I have seen it threshed and seen that yellow gold come out of the threshing machine and have sold it for 10 cents a bushel less than it cost me to raise it. It may have been a very expensive pleasure but I enjoyed it very much.

Then we had "the McKinley." I suppose some here remember the McKinley tariff and all the black years after that. United States used to be a great market for our barley, then all at once—just like that—the market was cut off us by the McKinley tariff. Our barns were filled with barley and we had no

place to sell it, and from that came the English market which we held until World War II.

Then we had the "horse age" and we got \$25 million a year for horses—one of the biggest "cash crops" we had in those years. It does not amount to much now, but then it was one of the biggest "cash crops" we had had in years.

That was cut off when gasoline came in. We survived that as well.

Today, some 80 per cent. of our farmers grow only 20 per cent. of our food. Now our trouble is with that 80 per cent. of the farmers. Our trouble is with marginal farms and climatic changes. We used to have rain and snow—now these are no longer plentiful and we grow crops which are not favourable to our climate. I think that the hon. Minister will have to start something new, and I think he will have to go outside of the office to get this.

I have two men in mind but I do not know if he can get either one of them to see about this 80 per cent. of the farmers. One cannot sit in an office and do it. One must get in a car and go out, and must have with him a man with an auger to bore down to see what kind of farms he has. It is not possible to see all the farms but he will have some idea of how that 80 per cent. of farmers are faced with the problem of making money.

Might I say something about redistribution.

I think we should have at least 10 or 12 more members in this Legislature. No man can give service to too many people. I do not think people realize that hon. members are working 52 weeks in the year and that people come to us. A government is an impersonal thing. A person will not go to the government to talk, but will go to the member. And he, in turn can take them to the government and try to have their matter settled.

A member cannot service too many people. I think it is wonderful that we are servicing so many. I found 50,000 is a nice number to service. It depends on the riding.

Take the hon. member for Kenora (Mr. Wren), for instance. His riding is tremendous in size. Then take my own riding of Peel, 50,000 people in an extension of the city of Toronto, 100,000 in all.

By the way, it does not stop those Toronto men from coming to the hon. Minister of Education (Mr. Dunlop) and I can tell hon. members this, that 7 years from now, for every schoolroom we have we will have to have two, and we will have to "come across"

with quite a bit more money than we have been spending lately.

I think an hon. member can get into trouble, too. Let me relate how I got into trouble once, serving people. A widow and her son were living on a farm at the north end of the county. The son fell in love with a girl, down in my village, who was a very strong Liberal and the widow wrote me a letter asking me about it. She put in this: "I am not going to let my son marry any Grit."

Well, I liked the girl very much, I liked the family, and I wrote back a letter endorsing her to the skies. I knew that no girl was good enough for a widow's only son—I knew that—but I just simply had to do it. I never got another vote from her again. She voted against me religiously from that day to the day she died, so one can get into trouble for some of the things one does for one's constituents.

Might I go back just a little bit. When we came into this House we got \$1,400 a year and once we sat for, I think it was, nearly 5 months. I have seen so many changes, but I have seen changes in our form of government as well coming on.

I, as a baby, came in on a stage coach with my mother in the days before formulas. Where the mother went the baby went also.

I remember very well travelling on the horse-drawn street cars. I remember wanting to see an accident. I wanted to see that car hit the horse and the horse run away and see what would happen. It never did happen. I was always disappointed every time I got off that street car, because that horse never ran away.

I remember two farmers in my county who bred horses for the street cars. One said: "Henry, I hear they are going to run the street cars with fishing poles," and they both roared and laughed. They both kept breeding horses and they both had to sell the horses somewhere else than to the street car operators because of the water falling down Niagara Falls.

I remember the roads in Toronto. The hon. Toronto members will remember the labourers taking poles and making cedar roads. Front Street was laid with blocks about 8 inches long. I saw the cobblestones here, and remember when the only road clearer we had in the country, Mr. Speaker, was the sun. If the sun did not clean up the roads, we did not move out.

Today we are in this phase of spending money on making roads so perfect that it is hard to imagine anything better.

I always had to have a candle at my bedside when I was a young boy for fear I might upset the lamp, and for many generations they thought the coal-oil lamp was the only working power other than the sun.

Right now we have the hydro, but we are not going to have that hydro forever. We are going to get something new. The people of today are just as clever if not more clever than those people who changed the cedar blocks into a good road, changed the sun-cleared road into a road that we can travel upon the year around.

I believe we will have a different way of heating our homes. We had wood and coal and fuel-oil, we will have a still different way, and I say to the hon. Minister of Health that in our local graveyard, from about 1845 to 1865 or 1870, there were hundreds and hundreds of babies buried.

One family had 7 babies, none of whom reached a year old. Two of them reached the age of 4 months. All died in infancy. All were lost.

I do not know what happened before 1845, they may not have had tombstones, they just put up a field stone. But so many babies died. I remember very well what we called "black diphtheria." When a person took black diphtheria, they just measured him for a coffin.

A carpenter was the chap who made the coffins for us. Two brothers in our village got black diphtheria, and he started making the coffins immediately.

How they made the coffins might interest the hon. Minister. They made the coffins of plain wood, with nails all around it so they could be hammered in fast, and then when the carpenter got word that the patients were dead, he went over. He wore long gloves and he had to drink a quarter-bottle of whiskey before he went over in order to "keep off" the fevers and whatnot.

Then he had to handle the body with these long gloves, put it in the coffin and hammer the lid right down. Then he had to drink another quarter-bottle of whiskey to be sure that he would not catch the fevers.

That was the procedure in our day and the neighbours went and dug the graves, so the bodies would be buried quickly.

I don't know if anyone has diphtheria any more in this province, it is a thing of the past, and I think cancer will be a thing of the past. We have several men who found the cure for diphtheria, and men who found ways to cure other ailments, including consumption. My father died from consumption

as a very young man. At that time no one survived for long. I got through it all right, but that was exceptional. No one lived. Today, rapid death from consumption is a thing of the past, and I think many other serious ailments will be things of the past in years to come.

I remember the coming of radio. I went to the Toronto Exhibition and in the machinery building they had something like this apparatus at one end, and about 60 feet away and across the wall there was something else which we put on our ears and through it we heard a noise. We were sure there was some wire hidden somewhere. It was something new, and I remember the newspapers saying: "This is original, this is the new way." But not too many believed it when the newspapers said that about radio.

Then television. When I first saw, at the Royal Winter Fair, a woman singing at the Royal York, her voice failed sometimes, and sometimes the light went out, but it was television, and that is something that is now an accomplished fact. In years to come, new things will take its place.

I want to say a word about this government, and I have to be rather particular about what I say about it, too. I am very proud of this government of ours. In case anybody doubts that, I am very, very proud of it. Like the rest of the hon. members, I have studied Canadian history a great deal, particularly from a political point of view. For years and years I have been reading articles on it; seeing some of the old journals of the House.

I divide into 3 parts this government we had in Canada in 1792. One part was from 1792 to 1840, when they did not know whether it was going to exist or not, whether it was going to die or going to live. There was a fight for existence. It was a question whether they were going to be able to live in this wild land. Indians were still wild, food was hard to get, and the people had no idea whether we were British or citizens of some other country.

And here is something. The members for Norfolk, Oxford, Middlesex, Grenville, and the first and third riding of York, which I was in and my family was in, were expelled from this House for disloyalty. Can we imagine anyone now expelling a member from the House for disloyalty? They expelled those members for what they called disloyalty in those days.

I think the second period was from 1841 to 1867, at Confederation. I think the greatest thing that has ever happened in history is Confederation. It took a genius to join two

provinces such as Quebec and Ontario were in those days (not friends like we are now), and then take those two Maritime provinces, Nova Scotia and New Brunswick, and put them into one. Mr. John A. Macdonald did it.

At the turn of the century, Mr. James Whitney brought succession duties in. And what a fight that was! I remember that so well.

In 1950, the present hon. Prime Minister came in. Now the government we have here wins elections. The people like it because of "government of the people, by the people, for the people." It is a "different" government.

I have seen 3 different governments. I think since 1950 I have seen a government that the people like.

First, a statesman is born only once in a while. I remember talking to a group of farmers about our present leader before he became our leader. I said he was of the earth, and that he could go into towns and cities and talk to those people in their own language as well. He had a good family life, he had a wonderful mother.

I never pass March 31 without thinking of our hon. Prime Minister. He was wounded that day. Many hon. members in this House have been wounded. Among the thoughts that go through one's mind, as one gets that shot for tetanus—that's the first thing they do for you—are thoughts of family, and also of one's country. A great love of country is born.

Any man, who has been overseas and wounded, thinks of the soldier psalm, yes, "The Lord is my Shepherd, I shall not want," but he thinks of his country as well, and then in his mind grows something that makes his country so precious that he wants to give his whole life, his mind and his body to make that a better place for people to live in. I think our hon. Prime Minister has done that. I want to ask him to keep on doing it. The people trust him, they think that he is honest, they know he is honest, they know he is for them, just for themselves, and I am happy that he gets followers.

I wish I could spend another 50 years in public life, as I remember my school life, my municipal life and my life here. I wish I could, I was so happy then. I wish—no, I do not wish another 50 years. I lived in the happiest years that ever were; I saw all these improvements.

The younger hon. members will see them too. I do not envy what they will see because I have seen progress. The service one gives to the public is one's real reward in being in this House.

Before I close, as I have said several times, I want to say a word about Peel, but I am a little afraid if I say anything about Peel again and nothing about Haliburton, I am through.

We have a great county with a great river running through it. Water is the most vital thing we have. If we read in the first chapter of the Bible about when the world was made, we will find water is mentioned first, the most important thing is water.

I am going to close with something which is a treasure of 10 years ago, which made a very great impression on me, and it mentions 3 things: water, food and minerals. It gives the water first and then—this is it:

“For the Lord Thy God has brought in a good land, a land of brooks and streams and waters that spring out of the valleys.” Then he goes into food, “a land of wheat and barley, bread and honey.” Then he goes into minerals, “a land where I shall eat bread without scarceness and I shall not lack anything.”

Mr. Speaker, that is Ontario. Thousands of years ago that was written. The writer knew the importance of water, food and minerals. He knew what order to put them in, and thousands of years later that is so true of the province of Ontario today.

I am quite sure that while at election time the hon. members may disagree, everyone in this House realizes that we have a man, as leader of the government, who is well qualified for the post.

Mr. F. Guindon (Glengarry): Mr. Speaker, it is with sincere appreciation of the honour conferred upon me, and upon the constituency which I represent, that I am privileged to address this assembly as seconder of the motion of the hon. member for Peel for the adoption of the address of His Honour the Lieutenant-Governor of Ontario.

It is a very special pleasure to be associated on this occasion with the hon. member for Peel. My esteemed colleague is a loved and respected veteran of this House. His manifold services to our province and indeed to our nation antedate the memory of many of us.

We recall his long association with the Canadian militia. This, coupled with his sense of duty and patriotism early led him into active service in World War I. On the termination of this struggle, a vital turning point in world affairs, he returned to his beautiful ancestral acres in Peel county.

It is one of the current tragedies of our industrial and commercial development that this fine and fruitful segment of Ontario soil

is bowing to the march of progress to be submerged in the expanding industrial, commercial and residential development which features Ontario today.

In 1919, just 39 years ago, my hon. friend entered this House in a general election which marked a setback for the Conservative government of the day—a very temporary setback—for just 4 years later the late Howard Ferguson led the party to an outstanding triumph at the polls.

Since that time, and except for a brief period, 1934 to 1937, the hon. member for Peel has been re-elected with impressive majorities by the people who know him best.

For 13 years he served with distinction as Minister of Agriculture, and for a period as Prime Minister of this province.

His love of the land is exceeded only by the depth of his knowledge of scientific agriculture and his deep concern for the welfare of the Ontario farmer. His fields of service are indeed far-flung, but his many contributions to Ontario agriculture ensure for him an honoured place when the history of this province is written. He is known to very many of the people of Glengarry as he has honoured us on many occasions, moving freely among our people and discussing with them their hopes and their problems.

I am sure the members of this House join me in mutual good wishes and in the hope that we shall long enjoy the privilege of his friendship and the benefit of his always sound counsel.

There are certain faces missing today from the ranks of this Assembly, the faces of hon. members who had given long and faithful service to their respective constituencies, men who had been honoured by high office. It was not my privilege to know them personally but their names and their records of service are familiar to all of us. With all the hon. members of this House, I should like to express my regrets at their passing.

For 14 years the riding of Middlesex North was represented by the late Thomas L. Patrick. Like the hon. member for Peel, the late member was devoted to the cause of agriculture and bore the reputation of being one of Ontario's most successful farmers. He had served during his period of office on many committees and as deputy Speaker of this assembly. I am sure that we all regret his absence and that we join in expressing our sympathy to his family and friends.

With great regret I also refer to the passing of the late member for Elgin, Mr.

Fletcher S. Thomas. I enjoyed his acquaintance and would say that I think there is general agreement that no life was ever more wholly dedicated to the service of the people of Ontario, and more especially to the advancement of Ontario agriculture.

The late member redeemed Elgin riding in the Conservative cause. He enjoyed the wide support of members of all parties. As Minister of Public Works and as Minister of Agriculture he made many enduring contributions. It is a matter of regret that his later years were troubled with ill-health to the point where he felt it necessary to lay aside the burdens of ministerial office. This House and this province are the poorer for his loss.

In more recent days there has been recorded the passing of still another member of this assembly. I refer to the member for Huron, Mr. Thomas Pryde. The late member saw service in two world wars. He was a tower of strength in the life of his community and rendered long service in the municipal field. For 10 years he rendered sterling service as a member of this assembly.

I have heard very many expressions of regret at his passing, coupled with many instances of the fine service he gave to his constituents and as a member of this House. It is regrettable indeed, that one of our finest citizens should have been taken from us.

There are other familiar faces missing from our ranks, one or two of whom I should mention, more especially because they are old friends of mine and because they happen to come from my part of Ontario.

I should like to mention my predecessor, Mr. Osie Villeneuve, a 10-year veteran of this assembly who rendered fine service to Glengarry and who had a comprehensive knowledge of farm problems.

I should also mention the former member for Lanark, my good friend George Doucett. He left a record of 20 years of service as a member of this House, coupled with an extended period of cabinet office.

Both of these popular and respected members were some months ago chosen in their respective ridings to represent their people in the House of Commons. Both were popular and faithful public servants in the provincial sphere, and I am sure we all wish them well in their new field of service.

It is also my very happy privilege to extend congratulations and best wishes to 3 hon. members who, like myself, are newcomers to this House.

I refer to the hon. member for Middlesex North (Mr. Stewart), the hon. member for

Lanark (Mr. McCue) and the hon. member for Elgin (Mr. McNeil). Like myself they received the majority vote of the electors in the face of some spirited campaigning on the part of our opponents. Like myself, they appealed to the voters on the record of a government which enjoys continuing esteem and good-will. I hope to make their better acquaintance as this session proceeds, and I hope we may all be able to make some contribution to the welfare of the people of Ontario.

This assembly has been honoured by the presence of His Honour the Lieutenant-Governor of Ontario (Mr. Mackay), who was graciously pleased to open the proceedings of this House. The appointment of His Honour as the representative of Her Majesty, the Queen, is one which commends itself to all our people. His Honour's high academic qualifications, his distinguished career in his profession, his outstanding service as a member of Canada's armed forces, and the esteem he acquired as an eminent member of the judiciary all combine to provide a most distinguished background for his present high office.

I am sure that the hon. members of this Assembly are happy at the choice of His Honour as Her Majesty's representative, and that they join with me in extending their felicitations.

I am sure, also, that the hon. members will join me in extending thanks and good wishes to His Honour's predecessor (Mr. Breithaupt) who displayed dignity and competence during his period of service, along with his kind courtesy on all occasions.

The recent visit of Her Majesty, Queen Elizabeth II and Her Majesty's distinguished husband, Prince Philip, Duke of Edinburgh, is a notable landmark in the history of the Canadian nation. I believe Her Majesty's visit marked the first occasion on which a reigning sovereign formally opened the Canadian Parliament.

Her Majesty's visit strengthened the ties which bind together the nations of the Commonwealth. Her gracious presence in Washington strengthened British-American friendship. Her Majesty's delightful presence, her courtesy and her stirring eloquence endeared her to our people. I hope indeed, that Her Majesty and other members of the Royal Family will more frequently embrace the whole-hearted welcome which will always await them as they graciously visit our shores.

The riding of Glengarry, which it is my honour to represent, is rich in the history of Ontario and of Canada. It is a part of our

nation which no doubt was the site of phases of the struggles of early colonial days when the English, the French, the Indians and the American colonists battled for the control of the Ottawa and the St. Lawrence, the major travel routes of the era and, of course, for the huge territories served by these rivers.

These early struggles resolved themselves in the fullness of time, and about 1775, Glengarry saw the influx of very many hardy Scottish pioneers whose descendants today enrich the life of our community. The writings of the late Ralph Connor present a stirring, if sometimes fictional, account of the life and times of early Glengarry.

Our burying grounds are rich in memorials of those whose lives were spent in pioneer days. There are brief records of many who contributed to the political life of a budding nation, with all its strivings in the bitter battle for democracy and for a national unity which then was but a name.

Among others, two of our churches are among the oldest in Ontario, the Williamstown Presbyterian Church and St. Raphael's Roman Catholic Church. Both are well preserved and both still serve substantial congregations.

Glengarry is essentially a rural community. It has no cities and indeed no large centres within its borders. Its villages afford ample, modern shopping and commercial facilities. Its countryside presents broad acres of well-managed farms, among the best in Ontario.

But Glengarry has something else which I think constitutes an example for this great nation from coast to coast. In Glengarry we have national unity in fact as well as in name. The complexion of racial origins has changed over the decades so that now I should say that our population is perhaps equally divided between people of Scottish, English and French origin.

But we are free from racial and religious prejudices. We live in harmony, a close-knit community, each respecting the views of the other. In our elections we support the man, the party, the record of the leader and without, I think, any special thought of ulterior considerations. And here, I think, we are setting a good example for Ontario and for Canada.

The growth and development of our province in recent years has won the attention of Canada and indeed of America. Our population growth, our industrial and commercial expansion, and our vast increase in productivity have been at a very rapid pace.

In eastern Ontario our growth and development until recent years has been steady rather

than spectacular. I suggest, however, that it is inevitable that the rapid progress of eastern Ontario in every sphere of activity is now ensured. Given ample natural resources, given good transportation, given an adequate supply of labour—and couple this with an abundant supply of readily available power—industrial and commercial development will follow as surely as day follows night. All these factors feature eastern Ontario.

We shall no doubt hear from the hon. member for Hamilton - Wentworth (Mr. Connell) of the amazing progress of hydro, and more especially the vast developments on the St. Lawrence and on the Ottawa. The great power houses on the Ottawa—Des Joachims, Chenaux, Otto Holden—have long since been pouring their enormous output into hydro lines serving vast portions of Ontario. The St. Lawrence development, to produce 1.1 million horse-power, will commence delivering electric energy this year, 1958.

Coupled with this is the deep waterway which will make every lake port in Ontario an ocean port, with results almost impossible to predict. The combined projects are bound to have a telling effect on a great part of the northern half of this continent.

Great as are the implications of the seaway and the hydro development, there is another factor of great importance to eastern Ontario. There is no more delightful drive in Ontario than that along the St. Lawrence River from Kingston to the Quebec border. The river is more or less skirted by highway No. 2, which has served our people for two centuries and more but which has for decades been hopelessly out-of-date. Now, all this is being changed.

The St. Lawrence parkway is perhaps secondary to the seaway and hydro developments. Nonetheless, coupled with the easterly section of highway No. 401, it will mean one of America's finest thruways — 135 miles of dual-lane controlled-access highway, bordering one of America's greatest waterways, bypassing the centres of population, and flanked by scenes of natural and of man-made beauty.

At Niagara, Ontario has a gateway which is a delight to tourist and to native-born, but I think the St. Lawrence parkway will stand comparison as it gradually takes form. That such historic tourist attractions as Chrysler's Farm and Old Fort Henry will receive a new influx of visitors, I have no doubt.

There are few developments more welcome to eastern Ontario than highway No. 401. This vast thruway, 542 miles long, spanning southern Ontario from Windsor to

the Quebec border, is one of the most important projects ever launched in Ontario.

The Canadian Pacific Railway was an important factor in welding the provinces into a federal state. The Welland Canal opened Lakes Ontario and Erie to huge, upper lake freighters. These were developments on a national scale.

But this magnificent highway, in the provincial plan, will be one of comparable importance. Some of the hon. members may be surprised, as I was, to know that already about 175 miles of highway No. 401 are already in use.

Part of the Kingston by-pass is already open. Contracts have been let to carry the highway around Brockville, Prescott and Maitland. Construction is to go ahead on one lane east of highway No. 16 to tie in with a 20-mile stretch around Cornwall. A little later the section from Cornwall to the border will be completed.

The Cataraqui bridge at Kingston is a major structure, part of a link to eliminate the present bottleneck in that city. Major bridges have been built over the Trent, the Moira and the Salmon rivers. In the fall of 1958, by-passes will be open around Trenton and Belleville.

Then we have the Toronto-Newcastle section, the Toronto by-pass, the Woodstock-Ingersoll-London section, and the section from Windsor to Tilbury all open today. These sections are already relieving traffic conditions, and when in due course the project is finished, southern Ontario and eastern Ontario will have a vast thruway, second to none on this continent.

The hon. Minister of Highways (Mr. Allan) summed up very briefly in a recent address his views as to departmental policies when he said:

The facts, as we see them today, call for immediate action and a long-term plan for construction that will anticipate the demands of increasing traffic on our highways; and not the least of these are the requirements of public commercial vehicles in intra-provincial and inter-provincial transit.

We must build the most modern, multi-lane, controlled-access freeways which will bypass our urban centres and provide non-stop through traffic with the safest, quickest and most economic route possible.

We must reconstruct many of our older highways to higher and more modern standards.

Such highways as No. 400 and No. 401, and the radical measures of reconstruction and improvement as are in evidence in my part of the province, and doubtless all over Ontario, prove that the hon. Minister is backing up his words with the most realistic highways programme in Ontario's history.

Our municipal problems as to roads and streets are being eased by this administration on a scale never before contemplated; \$60 million a year is a lot of money but that is approximately the amount of municipal road subsidies this year. In general, they equal 50 per cent. of approved municipal expenditures on roads and streets and 80 per cent. of the cost of bridges.

Also important is that, under the system inaugurated by this government, there is recognition that our cities, towns and villages have their municipal road and street problems as well as do the counties and townships. Thus, some 1,400 municipalities are now in receipt of provincial road grants instead of fewer than 400 as formerly.

I have mentioned briefly the Ontario Hydro developments in eastern Ontario. I should like to add this: under this administration, Hydro has added approximately 25,000 miles of rural lines to serve more than 300,000 new rural customers. If the average Ontario family comprises 5 persons, this indicates that 1.5 million of our people now have hydro light and power who formerly were without this utility. Since 1945, the provincial treasury has paid out over \$86 million to pay one-half of the cost of rural line installation.

It is interesting to record that Ontario Hydro in November last announced a policy change of importance to many of our farmers. The policy now is that hydro, where required, will provide farm extensions for two-thirds of a mile from existing lines instead of one-third of a mile as formerly. This policy change applies to well-established farms and will undoubtedly aid very many farmers throughout Ontario. It is needless to say that, without the realistic expansion of rural hydro, it would be impossible for many of our farmers to carry on today.

There is nothing static about Hydro's programme. The steam-electric plant at Toronto is being enlarged to develop 1,062 million horse-power in place of 354,000 horse-power as at present. The Niagara redevelopment scheme is one of America's greatest engineering projects. New steam-electric plants are planned for the Long Branch and the Hamilton areas, each ultimately to de-

velop 2.4 million horse-power or more than double Ontario's share of the St. Lawrence development.

As an easterner, it is gratifying to me that Canada's first atomic-electric plant is being constructed in eastern Ontario. This, of course, is a pilot plant, designed to develop 26,000 horse-power, a partnership project involving the Canadian General Electric Company, the Atomic Energy Commission of Canada, and Ontario Hydro—another fine example of the co-operative attitude of the present administration.

Ultimately, atomic-electric power will be available on a commercial basis. For the present we must proceed with steam-electric power developments, as the harnessing of the St. Lawrence involves use of the last of our major hydro-electric power sites.

The enormous 3-fold expansion of Hydro in recent years is perhaps but a preview of other and greater developments ahead of this great public enterprise.

May I add it is not so many years ago that certain hon. members opposite were members of an administration which deplored the excess of hydro power, which declaimed in the strongest terms against the St. Lawrence development and which, generally, exhibited a complete lack of vision of the future of this province.

As was so properly pointed out in the gracious address of His Honour, the Lieutenant-Governor of Ontario, the provinces and the municipalities form the right arm of our development. For many years the government of Canada closed its eyes to the enormous responsibilities of the provincial-municipal partnership.

There was a stubborn refusal to admit that the development of provincial-municipal facilities is a completely necessary prelude to the development of the nation as a whole. In the matter of federal-provincial fiscal arrangements the federal attitude was essentially one of take it or leave it.

Notwithstanding the former federal attitude toward the provinces, this has never been the attitude of our provincial administration to the municipalities. During the life of this government there has been an increase of about 11-fold in provincial grants to the municipalities. Some 40 per cent. of Ontario's provincial revenues are paid to the municipalities in grants of one type or another. To every \$1 raised by local taxation the provincial treasury adds about 50 cents.

With federal affairs now in new hands, the scene has changed. There is a realization of

the necessity of a healthy provincial and municipal treasury.

What has been accomplished? For one thing the provincial share of federal income tax has been increased from 10 to 13 per cent. The unrealistic, impractical and dictatorial federal restrictions as to the sharing of the costs of direct relief have been eliminated. One result is that this province has been able to reduce the municipal share of relief costs from 40 per cent. to 20 per cent.

Another unrealistic and wholly artificial barrier erected by the late federal government has been torn down. Here, I refer to the federal ruling requiring participation of 6 provinces before the hospital insurance plan could become effective.

We shall no doubt hear more of the details of the hospital insurance plan during the deliberations of this House. One feature which impresses me is this. It is being launched after an extended period of intelligent and intensive preparation at the hands of a commission whose members are highly skilled in all matters of hospital administration. The plan is one of vast implications, and it is right and fitting that there should be no loose ends when it is placed in operation on January 1 next.

The advances in medicine and surgery, in all the vast array of equipment designed to help the work of the medical and nursing professions, along with the rapid increase in our population, demand a very large expansion in our hospital establishment.

It is this government which has continued to overhaul its grant-aid system to aid in the financing of our hospitals. It is this government which initiated a system of capital grants to aid in new hospital construction and to aid in the rehabilitation of older hospitals along with replacement of equipment.

As has been announced, capital grants for general hospitals and related institutions are being doubled as from January 1, 1958—a stimulus to hospital construction and incidentally a tonic for the building trades.

More than this, it is good to know that the federal government, headed by Prime Minister the Rt. Hon. John Diefenbaker, is following the example of the Ontario administration and, in the main, is doubling its former scale of capital hospital grants.

There is likewise under way an imposing programme of mental hospital construction and expansion. A new mental hospital has been opened at Port Arthur; a similar hospital is already occupied at North Bay. Thus

the north for the first time in history is being supplied with this type of facility.

A new hospital is planned for the general Kent area; another for the Huron area. I was interested to hear that large extensions are under way at 12 existing hospitals, with other extensions planned.

In eastern Ontario we take a justifiable pride in the massive hospital and school at Smiths Falls—a project abandoned by a former administration. Much-needed additions are accomplished at the Brockville and Kingston hospitals. It is gratifying, indeed, to know that the needs of our great eastern community are no longer neglected.

Another great field of human betterment receives the very capable attention of my good personal friend and neighbour, the hon. Minister of Public Welfare (Mr. Cecile). My hon. friend administers his department quietly and efficiently, as thousands of our people who receive state assistance can testify. Many of those who have the pleasure of enjoying his personal acquaintance can testify as to his unflinching kindness and courtesy.

It is indeed natural for him to carry on the manifold duties of his office, motivated by the same humane principles which were the guiding light of his predecessor.

The whole history of The Department of Public Welfare is a history of change—change in legislation, in regulation and in administration—but change always motivated by humane considerations and always designed to improve the lot of the many who temporarily or permanently require state assistance.

It was not so long ago that provincial aid to our homes for the aged was limited to a paltry 10 cents per inmate per day. That was changed by this government which assumed 50 per cent. of all costs related to municipal homes for the aged. In the main, these homes have been renovated or replaced by modern structures; services have been improved; and about 3,000 additional beds have been added.

Keeping up the good work, the administration has increased its contribution to 75 per cent. of all costs, and now proposes similar treatment for other charitable institutions. I cannot see that there will be any serious quarrel with this policy.

Nor do I think there will be any objection to proposals to improve mothers' allowances and unemployment relief. Not only will there be increased aid for helpless and dependent persons but also a substantial relief as to local taxation.

There has of late been in evidence all over America and indeed the western world much more than the usual interest in the subject of education. As was remarked in the address of His Honour the Lieutenant-Governor, it was indeed fortunate that our education problem received recognition in Ontario some 15 years ago.

We have in Ontario a large and increasing school population—approximately 1.174 million pupils. The increase in pupil population last year was 77,000, and we can reasonably expect a similar increase year by year. The cost of additional school accommodation was in excess of \$70 million and there is bound to be a similar expenditure over a long period. A satisfactory feature is that needs are being met.

It is important to realize that no school in Ontario is closed for lack of a teacher, that the demand for teachers has been met, and that the increasing demand for teachers will continue to be met. A new teachers' college with a full enrolment is in operation in eastern Metropolitan Toronto. Another was opened at Hamilton in April, 1957. The cornerstone for another, adjacent to the University of Western Ontario at London, was laid in June, 1957. Plans have been completed for still another at New Toronto.

Our teachers' colleges graduated 2,600 students in 1957, while 3,647 are enrolled at this time.

At the Lakehead, the new College of Arts, Science and Technology is in use, while at the justly famous Ryerson Institute of Technology the first unit of a comprehensive building programme is nearing completion. Of special interest to eastern Ontario is the Eastern Institute of Technology, opened last year at Ottawa. A similar institute is being organized for western Ontario, this to be opened in September, 1958.

For the current fiscal year ending March 31, next, Legislative Education Grants total slightly more than \$104 million, an increase of \$20 million over the previous year. University grants total \$18 million, an increase of \$2 million.

The hon. Prime Minister has announced in some detail a 3-year plan or revision of the education grant system. It will be recalled that there was a vast overhaul of the system commencing in 1945. The provincial grants were first increased 3-fold, then 5-fold and finally 10-fold. Last year a 3-year revision was commenced; this will be extended this year and will be completed in 1959.

The hon. Prime Minister stressed the flexibility of the plan, stating that it is the

foundation for a system of increasing aid which must continue for 10 or 15 years.

I shall not attempt to detail the proposed changes and improvements which were dealt with quite fully in a telecast address of the hon. Prime Minister on January 13, last. Entering into the grant formula are certain main factors: provincial equalizing of assessment; the number of children in attendance; and finally a new factor described as the growth-need factor.

In brief, the revised plan of grants implies a vastly increasing scale of provincial aid along with the transfer of still more education costs away from the home and the farm and toward the broader base of provincial taxation.

Our universities are receiving careful and practical attention. In 1945, only 3 were receiving provincial aid. Today, there are 8, some of them newly established. We have today approximately 25,000 students enrolled in our various universities.

During the past academic year \$469,625 was awarded in provincial and federal-provincial bursaries of which the province contributed \$369,625.

I am sure that we shall await with interest the details of the new system of students' aid referred to in the address of His Honour the Lieutenant-Governor of Ontario.

Admittedly, the cost of higher education is high. There is a good case for ample state aid. As the state, however, assumes a greater share of the cost it is elementary that there must be safeguards established—something of a selective system to guarantee reasonably well that state aid shall go to students who have the intellect, the intelligence, the energy and the determination to benefit from university training.

Our secondary schools perhaps afford an example from which we may profit. I think there is approval of present proposals on the part of certain secondary teachers to comb out students who fail or refuse to profit from educational opportunities. There is no place for the idler either in high school or university, a fact which we must keep in mind. After all, there is a lot of the taxpayer's money at stake.

I should like to mention the work of the 9-member archaeological and historic sites advisory board, functioning under the general direction and counsel of The Department of Travel and Publicity. I understand that already some 60 sites have been marked with suitable plaques, while many other sites are the subject of research and investigation for ultimate similar consideration.

We have a number of such sites in Glengarry, and they are regarded with continuing interest and affection by our people.

John Sandfield MacDonald, Ontario's first Prime Minister, was born at St. Raphael's and was buried at St. Andrews, just over the border in Stormont. Simon Fraser, noted Canadian explorer who is credited with the discovery of the Fraser River, is likewise buried at St. Andrews.

I might mention also Bishop Macdonnell, a whole-hearted Loyalist, who in his younger days fought bravely with Brock at Queenston Heights. A substantial cairn erected in his memory stands in the grounds of St. Raphael's Church.

Also I should mention the Rev. Charles Gordon, better known as Ralph Connor. He was born at St. Elmo, a son of the manse. His father, in fact, built the local church which is still in use. Ralph Connor won enduring fame not only as a clergyman with great gifts but also as one of Canada's outstanding authors.

I suggest, therefore, that if the hon. Minister of Travel and Publicity (Mr. Cathcart) will direct the steps of the archaeological and historical sites advisory board toward historic Glengarry, they will not only have made a rewarding journey, but they will win the acclaim of the people of this historic part of Ontario.

I shall await with great interest such remarks as may be made during the course of this session by the hon. Minister of Agriculture (Mr. Goodfellow) and the hon. Minister of Lands and Forests (Mr. Mapledoram).

I may say that the nursery established by The Department of Lands and Forests at Kemptville is an increasingly valuable asset to eastern Ontario. The department, I understand, last year distributed 26.5 million young trees and expects to pass the 30-million mark this year.

We have large areas of broken land in eastern Ontario, much of it favourable to reforestation, and the efforts of the department in this connection are bound to be of the greatest value to this and coming generations.

The 18 conservation authorities in Ontario, embodying 287 municipalities and covering 12,870 square miles, are carrying on a vast work of enormous importance. The efforts of these authorities which constitute a model of inter-governmental co-operation receive the solid backing, expert engineering and other advice, and the substantial financial assistance of The Department of Planning and Development.

The hon. Minister of Planning and Development (Mr. Nickle) is to be commended for his vigorous administration in this important sphere. His good work here, of course, is allied with the vast tasks of the Ontario water resources commission which reports through the hon. Minister of Public Works (Mr. Griesinger).

Of great importance to rural Ontario, and of special importance to such areas as Gengarry where the dairy industry features our farm operations, is the extension of the Ontario Veterinary College at Guelph. This fine institution has gone a long way since it was transferred many years ago from its primitive quarters on University Avenue in this city. Work is far advanced on a thoroughly modern medical and surgical building, a vast structure to cost well over \$1 million dollars and which will round out the facilities of a world-famous institution.

This major project, I believe, was pioneered by the late Fletcher S. Thomas when he occupied the portfolio of agriculture. Much credit is due to the late Mr. Thomas, to his successor, the present Minister of Agriculture and to the hon. Minister of Public Works—not forgetting the realistic contribution of the former Provincial Secretary (Mr. Porter).

I should like to say a brief word of thanks to the members of the civil service of Ontario. I am glad that in recent days the administration has been able to effect an upward salary revision to help bring salaries in line with those generally paid elsewhere, and in the light of the high living costs of these years. The vast ramifications of government with its multitude of services pose many problems for a new country member like myself.

Very many members of the service have helped me in solving the various problems of my constituents, and everywhere I have met with efficiency and courtesy and a desire to help wherever the problem may arise.

Then there are many members of the service operating from our local offices. I know many of these members of the outside service in my area. They too, are uniformly kind and helpful.

I should like to mention in particular all members of Ottawa division office of The Department of Highways. These technicians direct a large organization and they are performing a fine service for the large district which comprises their jurisdiction.

Another efficient official who has achieved a fine record of accomplishment is our Agri-

cultural Representative, Mr. J. Y. Humphries. He is a leader in many community activities and is secretary to Ayrshire clubs, Holstein clubs and like organizations. He also gives of his leadership and ability to our 4-H clubs which are invaluable to our young folks.

Also, I should like to commend the fine work of Mr. L. L. Sicard of Alexandria, field officer of The Department of Public Welfare. He brings to bear on his duties the efficiency and the humanitarian outlook which feature the work of this important department.

To all these and to many other members of the civil service may I say that I am grateful for their courtesy and assistance.

We shall hear much, as this session proceeds, of the growth and development of this province, of the services supplied under this administration, and of the problems which face not only this government but also our municipalities. Our population is now about 5.750 million, approximately one-third of the population of Canada. We supply one-half of the enormous revenues flowing into the Ottawa treasury.

Ontario supplies manufactured goods valued at \$10.6 billion per year—one-half of Canada's whole production. Here alone, we have an increase of 179 per cent. over 1946.

In the last 10 years an estimated 700,000 immigrants have settled in Ontario.

We produce nearly all of Canada's motor vehicles and motor vehicle parts, along with heavy electrical machinery and farm implements. Our labour force exceeds 2 million people. Our industries of mine and forest are the envy of the world. Our northland is being developed as never before, aided by the construction of modern highways and mining and access roads.

The enormous progress of this great province stems from many factors. We are rich in natural resources—and it is good to see that our forest resources are rapidly attaining a sustained yield basis. New mineral wealth is constantly brought to light, thanks to our prospectors and our mine developers.

Good highway transportation is an indispensable factor in today's economy, and here we have the realistic approach of The Department of Highways and The Department of Transport. It is a startling fact when we realize that we have enough rubber-tired vehicles in Ontario to carry every man, woman and child in the province at one and the same time.

Yet our material resources could not be developed, our astounding progress could not be achieved, without vision and leadership. That vision and that leadership we have in the person of the hon. Prime Minister of this great province. Never before in our history have the people of Ontario displayed more trust, more confidence, more genuine affection toward the head of their government than they have awarded to their present Prime Minister. He is today, as he has always been, a man of the people, and he heads a people's government.

In one by-election after another the electors of the various ridings have endorsed the leadership, the policies, and the administrative practices which have aided the forward march of this, the banner province of this Dominion. As recently as January 31 last, the people of Elgin not only elected a supporter of this administration with a handsome plurality but also with an overall majority over not one, but over 3 opponents.

It says something for the hon. Prime Minister, for his leadership, for his administration, when young men of the type of the newly elected hon. member for Elgin, with a fine personal and academic background, with a long record of municipal and community service, offer themselves for duty in the broader provincial sphere. It says something for the sound judgment of the people of the historic riding of Elgin when they recognize a good candidate and a good government.

The same is true of Middlesex North in the western part of southern Ontario, and of Lanark in the east. I congratulate my young colleagues who, like myself, are newly elected to this House, and I am sure I speak for them as I do for myself when I say that we are deeply indebted to the hon. Prime Minister for his never-failing courtesy, encouragement and support. It is an honour to serve under such a leader.

It is an added honour to be a supporter of the Progressive-Conservative party, a people's party with a long record of service to this province and to this nation.

Mr. Speaker, it is my privilege to second the motion to adopt the Speech from the Throne, moved by the hon. member for Peel.

Mr. F. R. Oliver: Mr. Speaker, in case there is something still to say and for purposes of reflection I would move the adjournment of the debate.

Motion agreed to.

THE HOSPITALS SERVICES COMMISSION ACT, 1957

Hon. M. Phillips moves second reading of Bill No. 45, "An Act to amend The Hospital Services Commission Act, 1957."

Hon. Mr. Frost: Mr. Speaker, I by no means want to take a course which would depart from the practice we have of indicating to the hon. members the business of the ensuing day, but in this case I thought that the hon. members opposite, particularly, might agree to an advancement of this bill by one stage. Now I am not so sure that the urgency that I was led to believe there was in this small amendment is really a fact, but the reason the bill was introduced as the first bill, or the bill to be introduced following His Honour's address, was the fact that it was felt that it might be of some importance. Frankly, I have some doubts about that, but on the other hand, I think the hon. members would have no objection at all to the bill.

The situation is this: It arises from a request from the Ontario hospital services commission which is engaged in ironing out any outstanding details in relation to an agreement relative to hospital insurance with the federal government.

Now this point is surely a technical one. It is a matter of what has been termed sometimes as "lawyers' law." I must admit that I find it difficult to follow the point that has been raised by some of the parties negotiating in this agreement. The parties concerned are Messrs. McCarthy and McCarthy, the solicitors for the Ontario hospital services commission, The Department of the Attorney-General, the hon. Attorney-General, and The Department of Justice at Ottawa.

Now the point is obscure but it involves this: section 15 of The Ontario Hospital Services Commission Act says that subject to the approval of the Lieutenant-Governor-in-Council, the commission may make regulations (a) establishing a plan of hospital care insurance in accordance with the agreement mentioned in section 13.

Section 13 states, going back in the Act, that the government of Ontario represented by the Provincial Treasurer of Ontario may enter into an agreement with the government of Canada under which Canada will contribute the cost of the plan of hospital care insurance provided for in this part, in accordance with such terms and conditions as the agreement may provide.

Now, the effect is this, that section 15, subsection (a) states that the hospital insurance

commission may establish a plan, in accordance with an agreement as in paragraph 13.

It is debatable that there is no agreement under section 13 and therefore one section nullifies the other. Or, in the reverse, it might mean that the sections approved by the Lieutenant-Governor-in-Council would have to be promulgated from time to time before an agreement could be entered into.

The other interpretation is this, that subsection (a) of section 15 means, in effect, and this, I think, is the view that is now generally accepted by all parties, that such a plan may be formulated as would be agreeable to all parties. In other words, it would be a plan to which they could agree.

Now, that, I say, is an obscure point, but we have absolutely no objection to eliminating the 9 words, "in accordance with the agreement mentioned in section 13." If that is done then, of course, that obscure but debatable point is open to two interpretations. If these 9 words are removed, that obstacle no longer exists.

Mr. Oliver: It is quite unnecessary.

Hon. Mr. Frost: Well, I would think it is. However, as I say, I think the consensus of legal opinion is that the words make no difference. On the other hand, it is debatable and if there is agreement, why have something that may create an obstacle? Therefore, the purpose of this bill is to remove those words.

I would say to the hon. members opposite that if the bill is advanced a stage, then the matter can again be reconsidered in committee, although I doubt if there is any further explanation I could give, other than what I have given at the present time, and if it is necessary in order to, in the opinion of the commission, facilitate their arrangements, then this could be given Royal Assent and the obstacle would be removed. That is the purpose of asking for second reading at this time and as I say, it is purely a technical matter, a matter of a legal interpretation.

The purpose of the Act and the purpose of us all in connection with it is entirely clear and there is no dispute on any side as to the terms of the agreement and the desire to enter into it except the meaning of these sections and the effect it would have.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, may I ask the hon. Prime Minister whether this will in any way preclude or handicap the Ontario government from going beyond the facilities that the agreement will provide? For example, the government gave us assurance last year that ir-

respective of what the federal government did, it would include mental and tuberculosis care.

Hon. Mr. Frost: It would make no difference. I think it is purely a matter of removing what some might argue made a difference in entering into the agreement as to the promulgation of the regulations and matters of that sort, which I think the hon. member will see is just simply an obstacle to bringing the matter into effect.

I think the plan is this: obviously, if the federal government is going into an agreement and is going to contribute, and if the province of Ontario is to be part and parcel of the agreement, then they have to be in agreement upon the arrangements that are made, otherwise there could not be a meeting of minds and there could not be an agreement.

Mr. Wintermeyer: May I ask the hon. Prime Minister whether there is a meeting of minds at the present time? Is the federal government going to make any contribution for mental and tuberculosis care?

Hon. Mr. Frost: All I can say to the hon. member is to refer to the statement made by the federal government at the time of the conference, on November 25, in which they stated under certain conditions they would agree to contribute.

Now, that is a matter to be considered in the continuation of the conference. As for myself, I have rather strong views on that matter. Quite frankly, I think we ought to each look after our own business, I think it is a question of the tax fields, I do not think it is a question of making deals of that sort. However, that is a question for further discussion.

Mr. D. C. MacDonald (York South): But, Mr. Speaker, there is no actual contribution if they give with one hand and take it away with the other, as in the proposal of last November.

Hon. Mr. Frost: Well, I would say to the hon. member for York South that all I am interested in is the \$100 million.

Mr. MacDonald: Oh, the hon. Prime Minister is still interested?

Hon. Mr. Frost: Yes.

Mr. MacDonald: Good.

Mr. Oliver: May I ask, Mr. Speaker, if there is much of the agreement signed be-

tween the federal and provincial governments?

Hon. Mr. Frost: No, not as yet.

Mr. Oliver: Not as yet, and will it, in the estimation of the hon. Prime Minister, include the participation on the part of the federal government for tuberculosis and mental patients?

Hon. Mr. Frost: No, not as far as we are concerned.

Mr. Wintermeyer: Mr. Speaker, will it be precluded from the rebates? I understand that the offer that was made at the meeting was that if the federal government did participate in mental and tuberculosis care, the amount of that contribution would be deducted from any rebates that were required under the fiscal arrangement. Have we any clarification in that respect? Is it the hon. Prime Minister's desire that the federal government participate in regard to mental and tuberculosis care and make the rebate as scheduled?

Hon. Mr. Frost: I say to the hon. member that the agreement that was made, I think, is contained. Some of my hon. friends took objection to the "four corners" of certain correspondence—the hon. member will understand. Now our position is this: We entered into that arrangement and by that we stand. I have not asked for reconsideration of that. We were content in our arrangement to proceed with the plan which was given to this House last spring, and I would say that "that is it." I, myself, prefer to avoid all of the complications of matching grants if we can avoid it.

Now, sometimes it is impossible to avoid getting into those things, but my own tendency, my own feeling with regards our own

relations with the federal government and our relations with the municipalities, is to try to avoid that. We wish to run our own show.

Motion agreed to; second reading of the bill.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House, tomorrow is obviously a short day. There will be presenting, reading and receiving any remaining petitions, presenting the reports of the striking committee. That, of course, involves the setting up of the various committees of the House which were adopted here the day before yesterday.

May I say that if any hon. member is omitted from any committee, and desires to be on that committee, if he will let me know I will be very glad to make the arrangement that he be placed upon the committee.

There will be the introduction of bills and tabling of reports by the hon. Provincial Secretary.

I might announce that on Tuesday we will continue the Throne debate, and I would like to continue the Throne debate through Wednesday, Thursday and Friday. Now, that is not for the purpose of hurrying anything at all, but is for the purpose of making use of those days and giving all of the hon. members the opportunity of speaking. I would say that Tuesday would be the day upon which the hon. leader of the Opposition and myself would discuss a few of the issues of the day, and then we will follow with the hon. members. I would like to have it that the House would be prepared to take part in the Throne debate in the succeeding days of next week.

The hon. Prime Minister moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5.40 of the clock, p.m.







Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Friday, February 7, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1958



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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, FEBRUARY 7, 1958

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petitions have been received:

Of the corporation of the city of Hamilton praying that an Act may pass enabling the council of the corporation to pass by-laws regulating the external design of buildings adjoining highways; and for other purposes.

Of the corporation of the town of Eastview praying that an Act may pass authorizing a special debenture issue.

Presenting reports by committees.

Clerk of the House: Mr. Sutton, from the select committee appointed to prepare the lists of members to compose the standing committees of the House, presents the committee's report as follows.

Your committee recommends that the standing committees ordered by the House be composed as follows:

COMMITTEE ON AGRICULTURE

Messrs. Allen (Middlesex South), Auld, Belisle, Boyer, Cass, Child, Connell, Edwards, Fullerton, Guindon, Hall, Hanna, Herbert, Hunt, Innes, Janes, Johnston (Parry Sound), Johnston (Simcoe Centre), Johnston (Carleton), Kennedy, Lavergne, Letherby, Lyons, MacDonald, Mackenzie, Manley, Morningstar, Murdoch, Myers, McCue, McNeil, Nixon, Oliver, Parry, Rankin, Robson, Root, Sandercock, Scott, Spence, Stewart (Middlesex North), Sutton, Wardrope, Whicher, Whitney—45.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON CONSERVATION

Messrs. Allen (Middlesex South), Belisle, Cass, Chaput, Connell, Cowling, Elliott, Gisborn, Gordon, Guindon, Hall, Hunt, Innes,

Jackson, Janes, Johnston (Carleton), Kennedy, Lavergne, Letherby, Lewis, MacDonald, Mackenzie, Manley, Monaghan, Murdoch, Myers, McCue, McNeil, Oliver, Root, Rowntree, Sandercock, Spence, Stewart (Middlesex North), Stewart (Parkdale), Sutton, Wardrope—37.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON EDUCATION

Messrs. Auld, Beckett, Boyer, Cass, Chaput, Child, Collings, Cowling, Davies, Edwards, Fishleigh, Graham, Guindon, Hunt, Jackson, Innes, Janes, Johnston (Simcoe Centre), Johnston (Carleton), Jolley, Kerr, Lavergne, Letherby, MacDonald, Maloney, Monaghan, Morin, Morrow, Murdoch, Myers, McCue, McNeil, Oliver, Parry, Price, Rankin, Reaume, Robson, Root, Spence, Stewart (Middlesex North), Thomas, Wardrope, Whicher, Wintermeyer, Worton, Wren, Yaremko—48.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON GAME AND FISH

Messrs. Allen (Middlesex South), Belisle, Boyer, Cass, Chaput, Child, Connell, Cowling, Elliott, Fullerton, Gisborn, Gordon, Guindon, Hall, Herbert, Innes, Jackson, Johnston (Parry Sound), Johnston (Simcoe Centre), Johnston (Carleton), Jolley, Kerr, Lavergne, Letherby, Lewis, Lyons, MacDonald, Mackenzie, Maloney, Manley, Morningstar, Morrow, Murdoch, Myers, McCue, McNeil, Nixon, Noden, Oliver, Rankin, Robson, Root, Sandercock, Scott, Spence, Stewart (Middlesex North), Sutton, Thomas, Wardrope, Whicher, Whitney, Wren—52.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON GOVERNMENT COMMISSIONS

Messrs. Auld, Beckett, Cass, Chaput, Child, Cowling, Fishleigh, Frost (Bracondale), Grossman, Guindon, Hall, Jackson, Janes, Johnston (Carleton), Jolley, Kerr, Lewis, Macaulay,

MacDonald, Morrow, Murdoch, McCue, McNeil, Nixon, Noden, Oliver, Price, Reaume, Robarts, Robson, Rowntree, Sandercock, Sutton, Whicher, Whitney, Wintermeyer, Yaremko—37.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON HEALTH

Messrs. Auld, Boyer, Cass, Child, Cowling, Davies, Edwards, Elliott, Fishleigh, Foote, Frost (Bracondale), Fullerton, Graham, Grossman, Guindon, Hanna, Hunt, Johnston (Parry Sound), Johnston (Simcoe Centre), Johnston (Carleton), Jolley, Kerr, Letherby, Lewis, MacDonald, Mackenzie, Maloney, Monaghan, Morin, Morningstar, Morrow, Murdoch, McCue, McNeil, Oliver, Parry, Price, Reaume, Robson, Root, Rowntree, Spence, Stewart (Middlesex North), Stewart (Parkdale), Sutton, Thomas, Wardrope, Whicher, Wintermeyer, Worton, Yaremko—51.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON HIGHWAY SAFETY

Messrs. Auld, Beckett, Belisle, Boyer, Cass, Child, Cowling, Davies, Edwards, Elliott, Fishleigh, Fullerton, Gordon, Graham, Grossman, Guindon, Hall, Hanna, Hunt, Innes, Jackson, Janes, Johnston (Parry Sound), Johnston (Carleton), Kerr, Laverne, Letherby, Lewis, Macaulay, MacDonald, Mackenzie, Maloney, Manley, Monaghan, Morrow, Murdoch, McCue, Noden, Oliver, Parry, Price, Reaume, Robarts, Root, Rowntree, Sandercock, Scott, Stewart (Parkdale), Sutton, Thomas, Wardrope, Whitney, Worton, Wren, Yaremko—55.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON LABOUR

Messrs. Belisle, Cass, Child, Collings, Elliott, Fishleigh, Fullerton, Gisborn, Gordon, Grossman, Herbert, Jackson, Jolley, Laverne, Lewis, Macaulay, MacDonald, Maloney, Monaghan, Morningstar, Murdoch, Noden, Oliver, Price, Reaume, Robarts, Wardrope, Wintermeyer, Worton, Wren, Yaremko—31.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON LANDS AND FORESTS

Messrs. Allen (Middlesex South), Belisle, Boyer, Cass, Chaput, Elliott, Frost (Bracon-

dale), Fullerton, Gordon, Graham, Guindon, Herbert, Hunt, Innes, Jackson, Johnston (Carleton), Johnston (Parry Sound), Johnston (Simcoe Centre), Laverne, Letherby, Lyons, MacDonald, Mackenzie, Maloney, Monaghan, Morrow, Murdoch, Myers, McCue, McNeil, Noden, Oliver, Price, Robson, Sandercock, Scott, Spence, Stewart (Middlesex North), Sutton, Thomas, Wardrope, Worton, Wren—43.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON LEGAL BILLS

Messrs. Becket, Cass, Hall, Herbert, Hunt, Macaulay, MacDonald, Maloney, Myers, Nixon, Noden, Oliver, Parry, Price, Rankin, Robarts, Root, Rowntree, Thomas, Wardrope, Wintermeyer, Worton, Yaremko—23.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON MINING

Messrs. Beckett, Belisle, Boyer, Cass, Elliott, Fishleigh, Fullerton, Gisborn, Gordon, Hanna, Herbert, Hunt, Janes, Johnston (Parry Sound), Jolley, Laverne, Lyons, MacDonald, Mackenzie, Manley, Monaghan, Morin, Morrow, Murdoch, Nixon, Noden, Oliver, Price, Robson, Rowntree, Sandercock, Sutton, Wardrope, Worton, Wren—35.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON MUNICIPAL LAW

Messrs. Allen (Middlesex South), Auld, Beckett, Boyer, Cass, Child, Collings, Cowling, Dunlop, Edwards, Fishleigh, Frost (Bracondale), Graham, Grossman, Guindon, Hunt, Jackson, Janes, Johnston (Carleton), Kennedy, Kerr, Laverne, Lewis, Macaulay, MacDonald, Mackenzie, Maloney, Manley, Monaghan, Morin, Murdoch, Myers, McCue, McNeil, Oliver, Price, Rankin, Reaume, Robarts, Robson, Root, Rowntree, Scott, Spence, Stewart (Middlesex North), Stewart (Parkdale), Sutton, Thomas, Whicher, Whitney, Wintermeyer, Worton, Yaremko—53.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON PRINTING

Messrs. Allen (Middlesex South), Auld, Boyer, Cass, Child, Davies, Fishleigh, Frost

(Bracondale), Fullerton, Gisborn, Gordon, Graham, Grossman, Hunt, Johnston (Carleton), Johnston (Simcoe Centre), MacDonald, Manley, Morin, Murdoch, Oliver, Parry, Sutton, Whitney—24.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON PRIVATE BILLS

Messrs. Allen (Middlesex South), Auld, Beckett, Boyer, Cass, Child, Chaput, Collings, Cowling, Edwards, Elliott, Fishleigh, Frost (Bracondale), Gordon, Graham, Grossman, Guindon, Hall, Hanna, Hunt, Innes, Jackson, Janes, Johnston (Carleton), Johnston (Simcoe Centre), Jolley, Kennedy, Kerr, Lyons, Lavergne, Macaulay, MacDonald, Mackenzie, Maloney, Manley, Monaghan, Morin, Morningstar, Morrow, Murdoch, Myers, McCue, McNeil, Nixon, Oliver, Parry, Price, Rankin, Reaume, Robarts, Root, Rowntree, Sandercock, Scott, Spooner, Stewart (Middlesex North), Stewart (Parkdale), Sutton, Thomas, Wardrope, Whitney, Wintermeyer, Wren, Yaremko—64.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON PRIVILEGES AND ELECTIONS

Messrs. Cass, Davies, Edwards, Fishleigh, Grossman, Kerr, Lavergne, MacDonald, Murdoch, Nixon, Oliver, Robson, Stewart (Parkdale), Thomas—14.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON PUBLIC ACCOUNTS

Messrs. Auld, Beckett, Cass, Collings, Cowling, Davies, Edwards, Elliott, Fishleigh, Frost (Bracondale), Graham, Grossman, Guindon, Hall, Hanna, Janes, Johnston (Parry Sound), Kerr, Lavergne, Letherby, Lyons, Macaulay, MacDonald, Maloney, Monaghan, Murdoch, Myers, McCue, Nixon, Noden, Oliver, Parry, Robarts, Root, Sandercock, Stewart (Parkdale), Scott, Sutton, Thomas, Wardrope, Whicher, Whitney, Wintermeyer, Worton, Yaremko—45.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON STANDING ORDERS

Messrs. Allen (Middlesex South), Auld, Belisle, Cass, Chaput, Child, Davies, Edwards, Elliott, Fishleigh, Frost (Bracondale),

Fullerton, Gisborn, Gordon, Graham, Hall, Hanna, Hunt, Kerr, Lavergne, Lyons, MacDonald, Manley, Murdoch, Oliver, Rankin, Robson, Sutton, Wintermeyer, Worton—30.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON TRAVEL AND PUBLICITY

Messrs. Auld, Beckett, Belisle, Boyer, Cass, Chaput, Child, Cowling, Edwards, Elliott, Fishleigh, Frost (Bracondale), Fullerton, Gordon, Graham, Grossman, Guindon, Hanna, Johnston (Parry Sound), Jolley, Letherby, Lewis, Lyons, MacDonald, Mackenzie, Morin, Murdoch, McCue, Noden, Oliver, Reaume, Root, Sandercock, Stewart (Parkdale), Thomas, Wardrope, Whitney, Worton, Wren, Yaremko—40.

The quorum of the said committee to consist of 5 members.

Motion agreed to.

Introduction of bills.

Hon. G. H. Dunbar: Mr. Speaker, I beg leave to present to the House the following:

No. 1. Forty-ninth annual report of the Hydro Electric Power Commission of Ontario for the year ended December 31, 1956.

No. 2. Seventy-first annual report of the Niagara Parks Commission for the fiscal year ended October 31, 1957.

THE STATUTE LABOUR ACT

Hon. J. N. Allan (Minister of Highways) moves first reading of bill intituled, "An Act to amend The Statute Labour Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this is a clarification of The Statute Labour Act which of course is applied to some sections in unorganized townships and it clears up any doubt as to whether or not, if the work is not performed, the amount per day can be collected by the statute labour board and provides for a penalty.

THE HIGHWAY IMPROVEMENT ACT, 1957

Hon. Mr. Allan moves first reading of bill intituled, "An Act to amend The Highway Improvement Act, 1957."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this involves about 4 or 5 sections, or revisions of about 4 or 5 sections. The first one provides for making connecting link agreements with the cities. We have always had provision for making connecting link agreements covering that portion of street or streets within the town or village that serves as a connecting link of the King's highway. The Highway Improvement Act does not provide for such connecting links within our cities, although the Minister has been empowered to enter into construction agreements covering such links with the cities.

Experience has indicated that it would be better to have the connecting links set out in the cities so that those streets which will be connecting links are definitely known by the city and by The Department of Highways.

This would relieve the problem which presents itself each time that a city intends to construct a street which might be considered a connecting link, and when there is doubt it is a matter of negotiation each time.

The second subsection of that same section involves the contribution paid by our department toward the cost of connecting links in towns and villages. The percentage of cost the government has been paying was set up some time ago. Previously, a subsidy of 50 per cent. was paid on all road work in towns and villages. It is felt by those municipalities, and with justification, I think, that because there is a good deal of through traffic on the connecting links, they are entitled to a greater proportion of the cost being paid by the province. Therefore, we are suggesting that the government pay 75 per cent. toward those connecting links in towns and villages instead of the 50 per cent. that has been paid.

Mr. T. D. Thomas (Oshawa): Does that apply to the cities as well?

Hon. Mr. Allan: No, that condition already exists in the cities. That is, our contribution to cities on their streets is 33 per cent., and on connecting link construction, 50 per cent., so there is the difference already in the cities.

An amendment of subsection 1 of section 30 merely states clearly that a permit is required for an entrance or such addition that has to do with the highway by a person whose property is abutting the highway. These permits have always been required but there has been some doubt expressed as to whether it was clearly set out in the Act.

During the last few years, supplementary by-laws have been recognized from cities, counties, townships, towns and villages. The various sections of the Act, having to do with

these different types of municipalities, are being revised to remove any doubt as to the legality of these municipalities making application for these supplementary by-laws.

Subsection 3 of section 56 deals with the rebate, that is, the return, to towns and villages by counties, of the percentage of the payment that has been made by the towns and villages toward the county good roads. The section has stated that there shall be a minimum of 25 per cent. return. There is no suggestion of any limit, and no suggestion of any limit of the percentage that should be rebated by the county to those towns and villages. These percentages have gradually increased until some are now 50 per cent.

It is our feeling that 50 per cent. is sufficient, so the bill is being amended to state that the minimum shall be 25 per cent. and not more in total value than 50 per cent.

There is a slight amendment to section 63 which makes it illegal for a member of a suburban commission to sell to personally, or do business with, the commission of which he is a member.

Section 71A has to do with subdivisions. At the present time, the province does not pay subsidy to a city, town or village for the opening of a construction, or the construction of a road in a new subdivision. It is intended that the developer of a subdivision shall provide the roads. The word "townships" should have been included originally due to the fact that a great number of these subdivisions do exist in townships, and it is the intention to add the word "township" to "city, town or village."

Mr. Speaker: Orders of the day.

Mr. G. C. Wardrope (Port Arthur): Mr. Speaker, before the orders of the day, I would like to bring a suggestion to the hon. members of the House that I hope will commend itself. I want to thank the hon. Minister of Public Works (Mr. Griesinger) for providing these handsome and comfortable new chairs for the hon. members, and the question ran through my mind as to what was going to happen to the old ones.

Now, we well know the hon. Prime Minister's (Mr. Frost's) passion for historical tradition in this province, and I think that those chairs have a great deal of historical tradition about them. They have, for many years, served as the chairs for the seats of the mighty, as the hon. leader of the Opposition (Mr. Oliver) will probably agree, and I would like to see their tradition preserved.

We have a new museum about to be built in the city of Port Arthur and I think that they would appreciate getting one of these

chairs. I would suggest to the hon. Minister of Public Works that they be made available to the hon. members who wish them. Whether the hon. members are to buy them and present them as gifts to their museums, or whether they will be given to us gratis, of course, will be left to the hon. Minister's generosity. I think it is a suggestion that we should entertain, Mr. Speaker, and I am glad to make it. I might say that coupled with that, my good friend the hon. member for Brantford (Mr. Gordon) is "in on" this suggestion, and I think he will go along with me in this proposal.

Mr. G. T. Gordon: Mr. Speaker, when I came here and saw the new chairs, it ran through my mind as to what would be done with the old ones. We now have a very fine historical society in Brantford, also a museum, and I thought it would be a very nice gesture if the hon. members could purchase, or get, one of these chairs and present it to the museum. I do not know how old these chairs are, but some have said 100 years. Well, when a person sat in them they sounded like it, because they creaked as if they were suffering from old age. But anyway, I have sat in them close to 10 years during the sessions and they were very comfortable, and I think as the hon. member has just suggested, it would be a fine gesture on the part of the Legislature if we were able to present these chairs to our various museums.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, may I ask, in order that we have the premise accurately stated, are we to understand that the hon. Prime Minister did not trade the old chairs in on the new ones?

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, I think the answer is "no". I might say that these chairs, I believe, came into the House in 1892 when this building was constructed, and they have withstood some 66 years of strenuous use, strenuous sitting sometimes, and strenuous action. They have seen many important and boisterous events, solemn events and some historical events. There are a few hon. members of the House today who sat in this House on midnight of March in 1945 when they saw one of those historical events that had quite a good deal to do with the history of this province, and there were many others which could be recalled.

I am sure that the hon. Minister of Public Works would take the responsibility of assisting in any way possible to help pre-

serve history by preservation of these chairs in such spots as might seem appropriate.

Mr. D. C. MacDonald (York South): Mr. Speaker, if this is going to happen, there is just one little idea as we all find our minds carried on that might be pursued. In the United States one can travel all throughout the nation and find beds in which George Washington slept, and there are more of them than would fill the Royal York hotel. Why not add a plaque which would say "this is the chair in which Oliver sat" for example, or "Frost sat," and there could be a dozen of them in which they all sat and nobody would know the difference anyway.

Mr. H. Fishleigh (Woodbine): Mr. Speaker, I do not care what is done about the old chairs but I must say that these new chairs are awfully hard. They are much harder than the old ones and they were 100 years old, and this is in the days of foam rubber. I would have thought that these chairs would have been equipped with foam rubber so for the next 2 months when we sit here we will not become calloused.

Hon. Mr. Roberts: Mr. Speaker, I think perhaps one of the reasons for the hardness was to keep hon. members at work during the hours of the Legislature sitting. Before moving the adjournment of the House I will just repeat what the hon. Prime Minister said yesterday, that the business of Monday next would be the introduction of bills and second readings of the bills ready for that reading, provided that if any hon. member opposite does not want a bill called, I am sure that these wishes would be complied with. On Tuesday, and the following days of the week, the Throne debate.

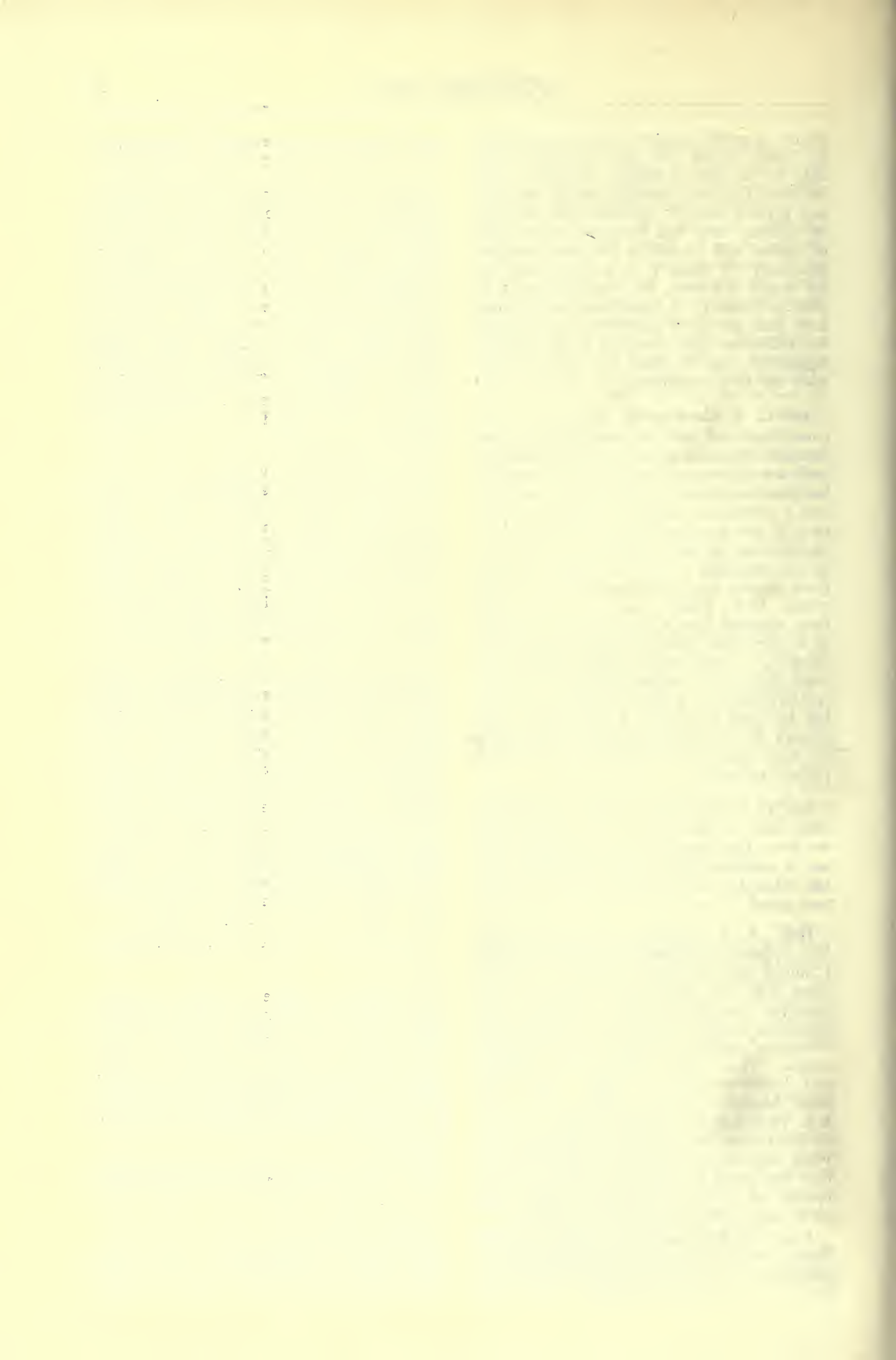
Mr. Speaker, I move the adjournment of the House.

Mr. Speaker: Before I put the motion, I would like to welcome, to the assembly today, students and teachers who have been here for the short session, or rather the coming teachers, students from the Teachers' College, London, Ontario and also students from the third-year journalism class from the Ryerson Institute of Technology. We welcome you.

Hon. Mr. Roberts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 2.40 of the clock, p.m.





Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Monday, February 10, 1958

Speaker: The Honourable A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, FEBRUARY 10, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker informed the House that the clerk had received from the chief election officer and laid upon the table the following certificate of a by-election held since the last session of the House:

Electoral district of Elgin: Ronald Keith McNeil.

PROVINCE OF ONTARIO

THIS IS TO CERTIFY that, in view of a writ of election dated the sixteenth day of December, 1957, issued by the Honourable Lieutenant-Governor of the Province of Ontario, and addressed to Harold McKenzie, Esquire, returning officer for the electoral district of Elgin, for the election of a member to represent the said electoral district of Elgin in the legislative assembly of this province, in the room of Fletcher S. Thomas, Esquire, who, since his election as representative of the said electoral district of Elgin, hath departed this life, Ronald Keith McNeil, Esquire, has been returned as duly elected as appears by the return of the said writ of election, dated the eighth day of February, 1958, which is now lodged of record in my office.

RODERICK LEWIS,
Chief Election Officer

Toronto, February 10, 1958.

Ronald Keith McNeil, Esquire, member for the electoral district of Elgin, having taken the oaths and subscribed the roll, took his seat.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petition has been received:

Of the corporation of the city of Ottawa praying that an Act may pass authorizing it to fluoridize its municipal water supply; and for other purposes.

Mr. Speaker: Presenting reports by committees.

Motions.

Mr. Speaker: Introduction of bills.

SECONDARY SCHOOLS AND BOARDS OF EDUCATION ACT, 1954

Hon. W. J. Dunlop moves first reading of bill intituled, "An Act to amend The Secondary Schools and Boards of Education Act, 1954."

Motion agreed to; first reading of the bill.

He said: There are several proposed amendments in this bill which, of course, go to the committee on education as all the others do.

The first amendment has to do with changes in high school districts in unorganized territory.

The second amendment has to do with the membership of a school board in this respect—at present no member of a municipal council or officer of a municipality or county is qualified to be a member of a high school board. The amendment provides that no member of a municipal council, the clerk, or the treasurer may be a member of the school board.

The third one has to do with cases where there are two or more public school boards operating schools situated in a high school district and has to do with a choice of the representative of each board on the high school board.

The next amendment has to do with the borrowing of money by school boards and sets forth the duties of an assessor and a tax collector.

The next one provides for the payment for permanent improvements up to a certain limit out of current funds.

The next one sets up further the expenditures for permanent improvements out of current funds which must not exceed 1 mill on the dollar.

The next one has to do with the decisions of an arbitrator when the matter is referred to their municipal board.

The next one, where a high school district has to be enlarged or decreased in size.

The next one, that a board of education having more than 100 teachers may appoint a director of education qualified under the regulation.

THE PUBLIC SCHOOLS ACT

Hon. Mr. Dunlop moves first reading of bill intituled, "An Act to amend The Public Schools Act."

Motion agreed to; first reading of the bill.

He said: this bill provides that on a school site only certain buildings may be constructed and that a school site may be used,

not only for the building of a school, but for use as a school playground, a school garden, a teachers' residence, caretaker's residence and so on including a parking area.

The next amendment in this proposed bill has to do with the right of a corporation, society, agent or other body which has custody of a child, to send that child to a public school in the municipality.

The next has to do with the following: an inspector may, before July 1 of any year, form two or more school sections in territories without municipal organizations, with the approval of the Minister.

The next one, council has to approve of such changes. The School Administration Act, as the next amendment will show, does not apply to a school established under this section unless the second school is relieved of the attendance of certain pupils.

The next amendment has to do with the formation of school sections in the township areas, and the next one gives the inspector authority to define the area for the township school within the area.

THE SEPARATE SCHOOLS ACT

Hon. Mr. Dunlop moves first reading of bill intituled, "An Act to amend The Separate Schools Act."

Motion agreed to; first reading of the bill.

He said: This proposed bill provides for certain amendments to bring the separate schools into line in every respect with the public schools. To arrange for the payment of teachers' salaries monthly instead of quarterly is one of these amendments, and to provide for adequate accommodation for pupils and legally qualified teachers just as in The Public Schools Act.

ONTARIO-ST. LAWRENCE DEVELOPMENT COMMISSION ACT, 1955

Hon. W. Nickle moves first reading of bill intituled, "An Act to amend The Ontario-St. Lawrence Development Commission Act, 1955."

Motion agreed to; first reading of the bill.

He said: The amendment provides that the counties of Frontenac and Lennox and Addington will now be in the jurisdiction of the Ontario-St. Lawrence development commission and the members of that commission shall be increased from 9 to 11.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1. Report of the Minister of Agriculture of Ontario for the fiscal year ended March 31, 1957.

2. Report of the Statistical Branch, Department of Agriculture, for Ontario for the year ended 1956.

3. Report of the Ontario Stockyard Board for the year ended June 30, 1957.

Mr. Speaker: Orders of the day.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before the orders of the day I should like to make a statement which I had intended to make on Friday last at the time of the appointment of the standing committees of the House.

I apologize for making it now, but I know that Mr. Speaker will grant indulgence to any of the hon. members of the House who might want to refer to it.

At this time I should like particularly to refer the committee on government commissions to the auditor's report, 1956-57, and particularly pages 17 and 18 thereof as it relates to boards and commissions.

This committee was brought into being about 1951. I very well remember Mr. Jolliffe, the predecessor of the hon. member for York South (Mr. MacDonald), discussing this matter at that time. It was brought into being in order to bring within the preview of this House the policy and the operation of such commissions and boards.

At that time, this move was very definitely an innovation. It was a departure from the idea that boards and commissions were separate entirely from the work of the government. I may say that at one time, that was very much the case with the Hydro Electric Power Commission, as some of the hon. members of the House will recollect. The feeling was so strong at that time that politics or political interference should have no part of the operations of Hydro, as a matter of fact, that it was almost an offence to mention the commission's name here in the House. I am glad to say that feeling has changed.

In addition to the boards and commissions mentioned by the provincial auditor, there are some additional ones, such as the Ontario municipal board, the liquor licence board, and the labour relations board, which are quasi-judicial in function. Those mentioned by the auditor include those which are conducting physical operations on a very large scale.

Some of the boards, notably the Ontario municipal improvement corporation, the Ontario junior farmers' establishment loan corporation, and the Ontario parks integration board are entirely made up of civil servants and government personnel. That is particularly true of the parks integration board, for I think they are practically all Ministers.

Others, such as the Ontario cancer treatment foundation and the alcoholic research foundation, were designed to make available, in the treatment of their problems, scientific opinion which might not otherwise be available. The cancer commission, I think, goes back to 1943, and I believe it was introduced into this House by the late Harold Kirby, who was then the Minister of Health.

These particular commissions also influence public interest and contributions on an important scale—for instance, the cancer society works with the cancer foundation. This background has been evident in the discussions relative to matters of discrimination.

On the other hand, commissions such as the Ontario Hydro Electric Power Commission and more recently the hospital services commission were designed and set up to administer fiscal matters of very great magnitude on behalf of the government and the people, and to assure that the organizations would be run with all efficiency and not be subject to so-called political interference.

This latter point is very evident in the operation of the workmen's compensation board and the various investigations and surveys that have been made in the work of that board.

However, in protecting such organizations against so-called politics and political interference, care must be taken that these are not set up in such a way as to override the democratic rights of the people. That was the purpose of setting up the above-referred-to committee on commissions.

Personally I have felt, and this has been translated into action in the use of committees of this House on a wider scale than ever before attempted, that our parliamentary and cabinet system should be widened to give the hon. members of the House widened scope and opportunity.

May I point out that the parliamentary system, and indeed the congressional system, are matters of evolution, and I think that the problems of these days have shown that many things about those systems could undergo review and indeed enlargement.

I have heard this argument in connection with scientific circles, in connection with the space satellites, "sputniks" if you want to

call them that: a totalitarian government may concentrate on some particular thing, whereas in the democracies either under the parliamentary system or the congressional system, the tendency is to deal with matters on a very wide scope, and therefore we have not perhaps the "efficiency" that comes from a concentration on a particular subject or policy.

That is something which deserves consideration in this day. One of the very great problems of these days is making sure that our form of government can meet the test it is called upon to face.

Since the 1930's both the parliamentary and congressional systems of government have been called upon to accept responsibilities not before contemplated. Since that time, the duty of governments has been extended to such needs as maintaining high levels of employment.

Not so many years ago, such a thing as that, or the directing of the general economic trends of the country, had never been mentioned. That is a recent development in our way of life, having its origin really only about as far back in an effective way as the 1930's.

These things of course have increased budgets and responsibilities.

Now the problems that we are discussing, as I see it, are these:

Not to deprive the government of the effectiveness of business practices and efficiency, yet to preserve for our parliamentary and democratic system the basic principle of "government of the people, for the people, and by the people."

It is the combining of these two necessary things which is so important. The provincial auditor has suggested that we have a survey to assess the strength and weaknesses of the present machinery of government. He goes on to say on those pages to which I have referred:

Such a survey could be expected to report upon the reallocation of duties between departments themselves, and between departments and boards and commissions based upon the principle of the nature of service rendered to the community. Other benefits of such a survey would be a better organization for financial administrative work, and better arrangements for inter-departmental discussions.

May I say to the House that it is this government's opinion that such a survey should be made. As a matter of fact, with the introduction 4 years ago of The Finan-

cial Administration Act of 1954, the problem was then objectively recognized.

The treasury board and the budget committee have become a very important part of government administration. It is fair, however, to point out as well, the importance of the difficulties and problems which are to be met in regard to what I say.

At this moment I would like to enlarge on this problem.

I desire to refer this problem to the committee on government commissions, together with this memorandum which I am reading, suggesting that consideration be given to the nature of such a survey, and advice given in relation to the same. Such a survey obviously must be based not only on theory but on the actual practice, administration and business problems to be met by the governments in these days.

The problem is one of making our democratic procedure work in these days of vastly increased business. There are two examples to which I might refer:

First is the Haldane committee which came into being nearly 40 years ago in the United Kingdom, at the time during which great demands were placed upon the machinery of government by World War I. This committee's direction was to inquire into the responsibilities of the various departments of the central executive and to advise in what manner exercise and distribution by government and its function should be improved.

Latterly, in the United States the same problem was dealt with. I should not say exactly the same problem, because I think in the United States the problem was directed to the efficiency of the government's spending which of course has its reflection here. The problem was dealt with by what came to be known as the first Hoover commission, organized in 1947. The report to Congress was made in February, 1949.

This committee or commission was re-organized in 1953 under the chairmanship of Mr. Hoover, its declared purpose being:

to promote economy, efficiency and improved service in the transaction of public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments and instrumentalities of the executive branch of the government.

That is the end of the quotation.

This committee reported in June, 1955.

I think our objectives must obviously include not only the above references, but

also the preservation of our parliamentary form of government together with the efficiencies and improved services which it is desired to promote.

It seems to me that, before determining the nature and scope of the inquiry I have mentioned, we should have the benefit of the work of the standing committee on commissions, which this session as before will have the opportunity of examining the policies and practices of such commissions and boards. Then, keeping in mind the survey which is envisaged, it can make such recommendations as it desires to the House.

I had intended to say these words on Friday, at the time this committee of the House came into being, but I do so now and will give to the chairman of the committee, when it meets for organization, a copy of this statement, and there all hon. members of the House are represented and can look at the problems to be met and make recommendations to the House before any form of inquiry is determined.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, I am not surprised that the hon. Prime Minister is showing some concern in regard to the matters that he has discussed. I am just a trifle surprised at the timing of this announcement. I am not suggesting that it has any particular significance at the moment, but it happens to be interesting.

As far as I am concerned, I have had a very deep conviction and feeling regarding this whole matter for some years as the hon. Prime Minister knows. It is a growing conviction that we ought to very shortly decide just what relationship these boards and committees or commissions have to this Legislature.

Now, I do not know just what the hon. Prime Minister has proposed this afternoon. Is he suggesting that the standing committee of the House on commissions should be entrusted with the task of determining what that relationship should be in this province at this session of the Legislature?

Hon. Mr. Frost: No, but I —

Mr. Oliver: Well, what then? It was not very clear.

Hon. Mr. Frost: Mr. Speaker, I will tell the hon. leader of the Opposition that my purpose was this, that before such an inquiry were instituted, the committee of the House on commissions should consider the matter, because it is going to have the opportunity of dealing very objectively with the problems of these commissions. All of the commissions under the terms of reference can come before that committee.

I am in no way saying that the standing committee on commissions should, or should not, do any particular thing. If the committee of the House desires to bring in a recommendation, one aimed at the problem we are speaking of, then it is free to do so.

But what I rather think is this, that the committee should and would find it desirable to look at the problems to be met and perhaps make recommendations to the House as to the form the inquiry should take and what the scope of the inquiry should be.

I think it will be indicated to the hon. members of the committee that it covers the subject of dealing, as I say, with administrative problems of government in these days of 1958 and following. But it also deals with this: I do not think it is at all desirable to use expressions such as "politics" and "political interference" to avoid the rights of the hon. members, the elected members in this or any other parliamentary system, from seeing what things are about. Now that is the point and it seems to me it is proper, before any type of inquiry is set up, to see how the hon. members of the House feel. They can voice their views through their own committee which has been set up by this House.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, may I just ask the hon. Prime Minister this question, are we clear on this? He is not expecting the committee on commissions to examine into and to report on their findings to this House as a body?

Hon. Mr. Frost: No. I would say I am not expecting them to. On the other hand, I am not saying anything that would preclude them from doing so if they so desired.

Mr. Wintermeyer: Mr. Speaker, will the hon. Prime Minister inform the hon. members whether or not some investigation will be made, either by an independent body or by a body of this House, at some time in the reasonable future, to investigate this whole problem?

The Haldane and Hoover reports were obviously by independent bodies. I gathered from the hon. Prime Minister's remarks that an investigation will be made—that he wanted the advice of the committee first, but that irrespective of that advice, an investigation will be made. Now, have we the hon. Prime Minister's assurance that investigations will be made?

Hon. Mr. Frost: That is right.

Mr. Wintermeyer: Is it the hon. Prime Minister's intention that investigation be made by an independent body or by a body of this House?

Hon. Mr. Frost: We will have the views of the hon. members on that.

Mr. Wintermeyer: Will we have the guidance of the hon. Prime Minister at the time the committee is—

Hon. Mr. Frost: Well, if the hon. members ask me for it. I do not know if I am on that committee.

Mr. Wintermeyer: And what about the auditor's guidance?

Hon. Mr. Frost: Yes, that is my understanding.

Mr. D. C. MacDonald (York South): Mr. Speaker, if the reply of the hon. Prime Minister to the leader of the Opposition indicates that this is a preliminary investigation from which will flow conceivably a further investigation, I want to say that I am very heartily in support of this move. I am for this reason, that I have noted with considerable concern the kind of line that has emerged particularly from the group of hon. members to my right here, ideologically and otherwise, in the last two or three years with regard to deprecating the rule of commissions and the threat that they represent.

Now I would be willing to concede that, to the extent that there is any validity in their fears, it is because we have not examined, re-examined and clarified our thinking on the exact role of public commissions in twentieth-century government.

For example, the hon. Prime Minister referred—if I got the meaning of his words correctly—in the terms of reference to this committee, to redistribution of functions and duties.

It seems to me that the main job here, and this is the kind of thing that has been tackled in Britain of recent years outside government circles if not inside government circles, is to examine how the Legislature, as the representatives of the people, can effectively fill its function as shareholders in a public corporation. And this, it seems to me, sets this problem of politics and political meddling in its correct context.

In a private corporation the shareholders meet, their decisions become directives with which the management of the corporation has to live in their day-to-day operation. It does not become a meddling in the day-to-day operation.

With the setting up of public commissions we have not yet worked out the techniques, and it is very difficult because of

the limitations of time and so on in Houses of Parliament and Legislature as to how we, the elected representatives of the people, in effect the shareholders on behalf of the people in this public corporation, can examine the general policies of the commission and become in a continuing way aware of how it is operated.

The hon. Prime Minister referred to this as a necessity in preserving our parliamentary government. I do not know that to my mind it is so much a case of preserving our parliamentary government as examining carefully a very necessary extension of parliamentary government in the twentieth century with all its perplexities of government today arising from government intervention in economic and other social matters.

Just briefly in summation, Mr. Speaker, I welcome this because I think it is something that other jurisdictions have looked into, and that we perhaps have neglected too long, and the sooner we can make up for lost time the better.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost: Mr. Speaker, there are a large number of bills on the order paper. These bills go to committee, but I am not anxious that they should be hurried to committees at all, and if any hon. member of the House would like any of these bills to stand over, by all means say so, and we will allow them to do so.

THE ONTARIO SCHOOL TRUSTEES' COUNCIL ACT

Hon. W. J. Dunlop moves second reading of Bill No. 47, "An Act to amend The Ontario School Trustees' Council Act."

Mr. H. C. Nixon (Brant): These bills have not been before us for very long and we have not had an opportunity to look into them, and perhaps the hon. Minister of Education, although he probably did speak briefly at the time of the introduction, could on this occasion perhaps develop some of the bills a little further.

Hon. Mr. Dunlop: The trustees' council, Mr. Speaker, has 7 affiliated bodies of trustees. It is doing good work. Their particular problem as outlined in this bill is that, when they have had a certain chairman for a year and he must give way to someone else who is elected chairman, for the sake of continuity they may, if they like, appoint the former chairman as a third member of their executive council so they may have the benefit of his advice for

another year. I think, Mr. Speaker, that sums it up, but if there is any question I would be glad to go into it further.

Mr. H. A. Worton (Wellington South): Mr. Speaker, does that imply that if a man is not elected, he can be put on as an extra member?

Hon. Mr. Dunlop: I think from this, it is the man who has been on and has served his term, and they would like to keep him on in another capacity for another year.

Motion agreed to; second reading of the bill.

THE DEPARTMENT OF EDUCATION ACT, 1954

Hon. Mr. Dunlop moves second reading of Bill No. 48, "An Act to amend The Department of Education Act, 1954."

He said: Although I cannot mention the amount of this loan fund, which will be dealt with before long, this first amendment provides for the mechanics of operating that loan fund. There will be a committee which will deal with the terms and conditions of persons eligible, defining the types, classes and so on. That is the first amendment.

Mr. Wintermeyer: May we ask whether or not the fund will be for tuition only, or will it be for any purpose for which a student might require funds while at school?

Hon. Mr. Dunlop: The opinion is that it is a definite loan of so much money to be used by the student in any way that he thinks best.

Mr. Wintermeyer: Will it be a sufficient amount to cover the normal student's total expenditures while at school?

Hon. Mr. Dunlop: I would think so. I would think it would have to, but, of course, we will have to make sure that they are reasonably good students.

I have an idea that in a few years we will be using bursaries for students in perhaps the first and second years in university and in teachers' colleges, and then these loans to enable them to finish the third and fourth years, probably. I think that is the way it will work out.

Mr. A. Wren (Kenora): Mr. Speaker, may I ask the hon. Minister a question in respect to this bill? Will this apply in any way to graduate students? I have in mind cases that have come to my attention recently where people from my part of the country were taking postgraduate work, for example in

English, to enable them to get their Master's degree and teach in the universities. The present regulations preclude them from any type of assistance because they are already graduates of a recognized university course. Will this take that into consideration and offer them some assistance?

Hon. Mr. Dunlop: Those graduate students are some of our most valuable material for the future, as the hon. member will agree, and there is no question whatever but that it should be for people of that sort. Further, there will be no question about the graduate's subject, whether it be English, science or whatever it may be.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, it was stated that a committee would be set up to administer this fund. Is the committee likely to be elected or appointed, or who are they likely to be?

Hon. Mr. Dunlop: I think the committee would consist of officials of the department who have had a good deal of experience in that. They are the people who know the standing of the student, they have the information right at hand, and can be depended on to do that work perfectly well.

Mr. Oliver: Mr. Speaker, I note that the amendment says "donations received and monies appropriated." The question I want to ask the hon. Minister is this: Is there any relationship between the donations and the money that the government will put into the fund? Is it going to be on a dollar per dollar basis or is there any relationship at all?

Hon. Mr. Dunlop: As I visualize it, it will be this. The government will appropriate so much capital funds for this loan, and philanthropic citizens will send in donations. They will be added to that capital fund. Possibly some of those students of today who have received bursaries, when they become wealthy or before that, will want to put some money into this fund as a token of appreciation. But I think there will be no relation between the amount the government puts into it and what may come in from other people.

Mr. Wintermeyer: Why should private donations be added to this fund? Would it not be better to reserve those donations for bursaries and scholarships?

Hon. Mr. Dunlop: It would depend on the wishes of the donor.

Mr. Wintermeyer: Yes, I do not suppose anyone would preclude the donor from exercising his judgment. What is the government's

attitude toward this particular problem? Does the hon. Minister think that industry and private donors should be encouraged to support the bursary and scholarship funds rather than this particular fund?

Hon. Mr. Dunlop: In each case, if the donor asked my advice or the advice of the officials, he would be told: "Now here is this loan fund for a certain purpose, here is this bursary fund which means simply the giving of straight gifts to well-qualified students. Into which would you like to put your money?" I would then follow his wishes.

Mr. D. C. MacDonald (York South): Mr. Speaker, I would like to make a few general comments on the principle of this, but first I have a question I would like to ask the hon. Minister. Are these loans to be interest-free?

Hon. Mr. Dunlop: That is still to be decided. They will be either interest-free or at a very nominal interest.

Mr. MacDonald: Mr. Speaker, speaking on the principle of this matter, the hon. member just asked the question as to why or what logic or reason there was for including private donations with the money that the government may be contributing to the fund.

I suspect that maybe one of the reasons for it is the pure illogic of the box that the government got itself into last year by that devious amendment to my resolution when this issue was before the House.

The principle of my resolution was such that they could not vote against it, so the government resorted to the procedure of an amendment which said, as I recall, that the bursary fund would be expanded to include not only bursaries monies but donations from whatever source, and that out of this general pot these needs would be met.

Now, apparently, they propose to separate the monies, with bursaries in one fund, and loaned monies, whether it is government loaned or private donations, in another one. Well, it seems to me that that was exactly what I asked for last year, and which the government members could not support because of this procedure that apparently, in our Parliaments today, it is impossible to accept a motion, even if it is a good one, when it emerges from the Opposition benches.

However, I commend the measure now, though it is a little late. For example, this is the kind of thing that a CCF government in Saskatchewan put into effect in the year 1950, just as they implemented hospital insurance in 1944 and along come the Tories

in Ontario 13 years later. The government is a little quicker on this, implementing it only 7 or 8 years after the CCF have done it in Saskatchewan.

Which brings me to a point which, to my mind, is one of the most important, Mr. Speaker, and that is that I have noted editorials in the *Toronto Daily Star* and elsewhere, critical of this move. The argument being advanced is that this is going to put students under a burden of debt from which it would take them a certain number of years to get out of afterwards.

Let me say quite frankly that the proposition of a student loan fund, in face of the current desperate need to take the dollar sign off the lack of educational opportunities at the university level, is a very, very small part of the over-all picture. Quite frankly, the only reason why I advanced it a year ago, was that it would not even cost this government money—it becomes a revolving fund to which the money comes back—and it seemed to me to be so acceptable that even this government would have to accept it, which it has now done.

But it seems to me, on the principle of this matter, Mr. Speaker, that we must lift our sights now because we are away behind the times in terms of a greatly expanded scholarship programme.

Why, even the Liberals in their conventions in Ottawa have now come out in favour of free education, and once again if I may go back to the *Star*, I notice they credit this free education plank of the Liberal "new look" as the source from which the government got its inspiration for the student loan proposal. The cartoonist might have come closer to the truth—the source was either the resolution last year or what happened in Saskatchewan 7 or 8 years ago.

This is not a new idea, it is an old idea, and in the sputnik age it is even older and less capable of meeting the desperate needs of making education available to a greater number of our people when we have only 7 per cent. proceeding to universities.

Now, having taken this step of making loan money available—which is the least important in the over-all picture—I hope that this government and the government in Ottawa can be persuaded to expand national scholarship schemes and bursary schemes so that we can get education to the 15 or 20 per cent. of the school population that graduates, as in the case of Britain. There are some 30 per cent. in the case of the United States. Our record in Canada is a shocking one in comparison.

In conclusion, I emphasize a further point for one reason more than anything else, and that is that during this past fall—this is really a delicate situation, because the man I have to refer to has now gone to greater heights which are beyond political criticism, but let me put it this way—this past fall, the then hon. Provincial Treasurer (Mr. Porter) was speaking to a group on the student campus and he made the proposal, in commenting on fees in the universities, that in his opinion, fees were too low and they should be increased.

I am curious to know whether this is the government's approach, because I submit that not only are fees too high, in terms of taking the dollar sign off educational opportunities at the university level, but that we should be moving toward what has been the CCF programme for quite some time, and now apparently has become a Liberal programme, and that is removing tuition fees altogether.

We can find the money from the bounty that we have in this country so that any young person who has the ability, the qualifications, and the willingness to absorb further education should have that opportunity. The dollar sign should be removed completely from education.

I would be curious to know—perhaps the hon. Prime Minister or the hon. Minister of Education would indicate—whether it is the government's opinion that tuition fees in our universities are too low and should be increased, because that certainly would give us some idea as to how soon they are going to move ahead to the other even more important aspects of widening educational opportunity at the higher levels than the one which is dealt with in this bill.

Hon. Mr. Dunlop: Mr. Speaker, if statistics were compiled in the same way in Canada as in the United States, that so-called 7 per cent. of those going on to university would appear in quite a different light. In the United States, as I imagine the hon. members know, young people go to university after 4 successful years of high school. Here we require 5. Now many, many more could go to university and used to go to university after 4 years of successful high school instruction, and it was necessary in the year 1931 to make a change across the ravine and to require 5 years of successful instruction in a high school. That would make a tremendous difference in that figure just quoted by the hon. member for York South.

Mr. Wren: Mr. Speaker, on the amendment of this particular Act, I heartily endorse the principle in this particular Act because it is going to be of great benefit to the people in northwestern Ontario, where tuition, board and room and other expenses of education above the elementary level are very serious problems indeed.

I may say that I did not particularly appreciate some of the snide references of the hon. member for York South regarding the Liberal party's attitude towards matters of education, but I was impressed with one thing he said, and one thing with which I am going to agree from now on. He said that perhaps if he had not introduced this legislation last year, the bill might have gone through last year. The hon. member confirms what I believed many times. If he talked less we would get more things done in this legislation.

Mr. J. Yaremko (Bellwoods): Referring to the principle and subject matter of this bill, I intended to speak to the hon. Minister of Education in regard to this matter but perhaps this would be the time to express an idea which has been within my head for some time. I am only going to propound the idea and not the scheme which might be put into effect in order to put the idea into effect.

In looking at the accounts of the University of Toronto during I believe, the past year, I noted that the expenditures indicated roughly a cost of \$12 million to operate the University of Toronto during the course of that year, and I noted that roughly one-quarter of the \$12 million had been raised by the fees, tuition and otherwise, and that another one-quarter had been raised from philanthropic sources, and that the other one-half, approximately \$6 million had been provided in this way: approximately \$1 million by the federal government and \$5 million by this province. Consequently we have a situation where, if using round figures, there were 12,000 students in attendance at the University of Toronto, and the cost to educate a student from the point of view of the University, worked out to approximately \$1,000 per student, of which the student, and I am using round figures because I am propounding an idea and not a scheme, the student paid one-quarter—that would be \$250—and from other sources there was raised another one-quarter—that would be another \$250—and the federal government and this government provided \$500 per student cost during the year at the University of Toronto.

It is in regard to that \$500, that one-half of the cost to which I would like to direct the attention of this House.

That \$500 was given for each and every student at the University of Toronto regardless of two things—regardless of the standing which he achieved either on entrance to the university or while at the university and secondly, regardless of his financial ability to attend the university. All he had to do was somehow provide for himself, either directly or through his parents, \$250 to attend the University of Toronto, and immediately he was the recipient of \$750 additional cost from that university—\$250 from outside sources and \$500 from government sources.

All he had to do was pay an initial one-quarter, and he became the beneficiary of three-quarters of the cost during that year of his education.

If the hon. member for York South would only wait until the end of my idea, then he can ask the question. I suggest to him—it is amazing how sometimes the hon. member's mind works in such a way that he cannot even see where an idea is good coming from someone else even if he may also have an idea paralleling to it.

I bring to his attention that this government, the federal government and this province provide for each student at the University of Toronto regardless of the standing he achieved on entrance or while attending there, and regardless of his financial ability, \$500—one-half the cost of his education during that year.

I suggest, that perhaps this government could do this in a different way. It could produce a premium plan on tuition fees, a tuition plan on university cost, that instead of supplying this \$500 to the university and then in turn expending those monies for the education of every one regardless of the standing he achieved on entrance or while in attendance, and regardless of his financial ability, that this \$500 could be made available to every student in the province of Ontario who achieves a certain standing, that every student who achieves the standing of first or second class honours, whatever it be decided, be provided with \$500 to defray the cost of his university fees. Then, for the other \$250 he can make an application to the bursary fund to make up the \$750 which is provided for himself now, and by the government. The other \$250 I presume will continue to come from other sources. Then this loan fund would be made available, not to cover the cost

of the university education itself, but to assist the student in maintaining himself while in attendance at the university.

If the cost were \$1,000 and \$250 came from outside sources, so they would have to raise from somewhere else \$750, even if they raised their tuition fees, provided this government made available to every student within the province upon entrance or while at the university that \$500 provided that he attain a certain level.

Now, it is an idea that I have been propounding, Mr. Speaker, and perhaps the hon. Minister, who is always willing to try an idea, can go into this and set up a 3-point picture.

The government grants for maintenance which I believe in the last year were some \$18 million through all the universities in the province of Ontario, to use those funds now to pay the tuition fees of every bright student in the province of Ontario, to pay a portion of the fees, to use the bursary fund to pay the additional amount that is necessary for those students who cannot make up the extra amount in order to continue at university, and then to use this loan fund for the maintenance of themselves while they are at the university, while they are getting the advantage of the \$1,000 cost of education each year.

Hon. Mr. Frost: In regard to free university education, and this is really in response to what the hon. member for York South has said, that viewed from a superficial standpoint there is in our system of education where we have free education from the elementary stages onward, really there is I say, superficially, no argument against carrying free education through to the universities.

But I point out that it is not just as simple as that. Some time during the last 3 or 4 weeks I had the opportunity of being with quite a large group of students and I found that there was a very great difference of opinion on that point. And I think that the point is really touched up by what the hon. member for Bellwoods has said. Again it is not just as simple as extending, one might say on a free basis, university education to all.

Now much of this has come about, of course, by the emphasis that has been placed on the achievements in science of other nations, and may I point out that in some of those other nations there is pretty strict regimentation as to what a person may do or what he or she may not do.

According to a certain standard, a student in one of those other countries may be elevated to the university class but if they do not

reach that class, then they are forever left in some other class. I think such a thing as that in this country is very definitely impossible.

The problem I think is this: There is nothing to gain by sending on to university students who are not qualified, merely because it is free. I think the hon. member will agree to that, and I do not think we should do anything to further what I think would be a very undesirable result.

Remember this, the universities in our land have to compete with industry and with other countries for the talent that is developed. Many on our university staffs, of course, are qualified people. If they left the teaching profession or their chairs in university, they would receive far higher sums from some other source.

Now, as a matter of fact, I think this is the desirable objective, that no person in this country who has the potential to make good in the university world and in the things that lead from university should be denied that education, and I think that is a point that the hon. member for Bellwoods, and I have no doubt the hon. member for York South as well, referred to.

How to do that, of course, is a problem, and I think that it will come about with the development of the bursary and the loan systems, and perhaps some other things.

As to how to choose the students who will receive these bursaries and loans and the assistance to go on is a problem for the educationists, of which the hon. Minister of Education is one. It is said, perhaps with exaggeration, that Sir Winston Churchill was not a good student, and probably would have been unsuccessful at university, and probably would have been one of those who would have been barred from a course in higher learning if his academic standing had been the matter on which he were judged. However, he did receive training which assisted him to the position which he afterward attained.

Now, I say that it is for the people who are dealing with the human resources we have in students to determine the way to bring on those who have the potential to make good in the university world. Again, how that will be done, I imagine, will be evolved by trial and error, but I think we must accept the objective of making it possible for every student who should be in university to have the opportunity of going there.

Mr. Wintermeyer: Mr. Speaker, I think what the hon. Prime Minister has said is the common objective of everybody. I would

simply ask him, as the hon. Provincial Treasurer, whether his government is prepared to underwrite in a realistic way the cost of the programme that he envisages.

For example, I examined some statistics presented in the very brief to which I think he has made reference, where it is demonstrated that the federal-provincial bursaries had been cut back substantially during this past year.

Now, that is an unfortunate thing, and in some instances, in some of the individual cases that I have examined, I found that they were cut back rather substantially. Surely that type of administration is inconsistent with what our objective is now, wherein we will expand the bursaries to take care of these worthy students.

I would want assurance from the hon. Prime Minister, as hon. Provincial Treasurer, that the strings will not be tightened to the degree that the very objective we have in mind is precluded by practical application.

Secondly, I would ask the hon. Prime Minister whether or not there is any truth in the suggestion that has been made in various newspapers that the loan fund will be in the approximate amount of \$400,000. If that be so, that is wholly—well now, Mr. Speaker, my own rough calculation is that the fund to be realistic must be in the neighbourhood of not \$400,000, but 10 or 20 times that. I think this is the important issue, the assurance that we should ask of this government is not the altruistic idealism that we all have in mind and are working for, but an assurance from this government that it will implement the idea, and carry out the programme which I interpret at this stage to be something over and above the technicalities of The Department of Education and at the doorstep of the hon. Provincial Treasurer as such. If the funds are made available we can carry out this programme.

I agree thoroughly that tuition is not the problem. A youngster coming from my district spends on the average of \$1,200 a year, of which, maybe, tuition might represent \$400 or \$500. If he gets free tuition it is hardly fair that he has to pay the remaining \$800, and a child from some other area who is not required to board away from home receives free tuition. I say, however, that we should have some assurance from the government at this time that it will underwrite the financial cost of this idealism in a practical way.

Hon. Mr. Dunlop: Mr. Speaker, regarding bursaries being cut back, we have used up all the money appropriated for that purpose with the exception of about \$125, and if the hon.

member for Waterloo North can let me know of any cases where bursaries have been cut back, I would be grateful for the information, because I have not heard of such a thing.

Mr. Wintermeyer: Mr. Speaker, this is what I had reference to:

I examined, I think it was, 10 or 20 applications wherein applicants had asked for a certain amount of money. Although that amount had been approved by officials of the particular university, they did not receive the amount requested.

Hon. Mr. Dunlop: They must have asked for more than \$500, did they not?

Mr. Wintermeyer: Oh no, they were all under \$500.

Hon. Mr. Dunlop: Was their standing all right?

Mr. Wintermeyer: Yes, to the best of my knowledge.

Hon. Mr. Dunlop: I have not heard of this matter at all. I will certainly look into it.

Mr. W. Murdoch (Essex South): Mr. Speaker, coming from a rural area, I am aware of problems with regard to attendance at universities by our boys and girls, which perhaps do not exist in a metropolitan area. It has been my privilege while a member of this government to see the idea of equal educational opportunity to all children extended as far as the high school level. We know that our students travel to the high schools, the district high schools, by bus and we have an excellent system of transportation all over the province of Ontario which means that those—the boys and girls who lived on the farms 10 or 15 years ago and who were unable to bear the expense of boarding in town to attend high school—those youngsters are all attending high school today.

We find, however, that when they are through high school, then the problem of attending university becomes quite severe.

I was thinking that perhaps some attention should be paid to bringing about this equality of educational opportunity, before going into the deal too far of giving grants on a straight basis. For instance, travelling backwards and forwards perhaps 200 or 300 miles to a university at holiday seasons, plus the board which has to be paid during attendance at university, is indeed quite a strain and disbars many of our young people in rural areas from attending university.

It is certainly much easier to attend university when one lives in a metropolitan area such as Toronto, than it is for those from

the outside: We did improve the situation considerably in Essex county by the creation of Assumption University a few years ago. However, the courses are somewhat limited, but they will be built up as time goes on.

But here again we find that we do not have equality of opportunity because from the town which is situated 25 to 35 miles from the city of Windsor, for instance, the students have to come in by bus and perhaps the public transportation system just does not allow that, so even if they live 30 or 40 miles from the university they have to board in the city.

I think we should pay particular attention to the cases of these particular students when we are considering loans and should try to extend something which we have done through the high school level and that is to bring about this equal opportunity in education, Mr. Speaker.

Mr. H. C. Nixon (Brant): Mr. Speaker, I would like to express my strong support for this legislation. I think I made some comments on it last year when the hon. member for York South introduced his resolution asking the government to consider this matter. I do not know that I have much to add to what has already been said except this suggestion, that many of the colleges and the universities in Ontario have had long experience in administering such a fund as this.

I believe the hon. Minister for some years had the administration of very considerable funds for this very purpose. I know the institution with which I am probably most familiar, the Ontario Agricultural College, some 50 years ago had a fund that was of some age then, known as the Massey fund, and it was available for students to borrow and I presume that they have been very successful in repayments because I know that fund is still in existence after more than 50 years, and, I believe, undiminished.

I suggest to the hon. Minister that he might well consider, rather than keeping this tightly within his own department, that the universities themselves might administer this fund.

I fancy the graduates would be anxious to repay this money in any instance, but I believe they would be even more anxious to repay it to their university from which they had received it, than they would to the government. After all, some of us feel that when we pay our regular taxes to the state that we have discharged our responsibility to the government, and we might not be as keen about repaying a loan as

we would be if our dealings were with our university. I just throw that suggestion out to the hon. Minister.

Certainly the federal government, in making their payments or their grants to universities, found that even in that case it relieved them, I believe, of certain embarrassments to have those funds administered by the universities' association, or whatever it is they call that organization, and it might be that this fund could much better be administered by the universities and colleges themselves than by a government department.

Hon. Mr. Dunlop: Would the hon. member suggest that the fund be divided up among the 8 universities?

Motion agreed to; second reading of the bill.

THE ANATOMY ACT

Hon. A. K. Roberts moves second reading of Bill No. 50, "An Act to amend The Anatomy Act."

He said: In introducing this bill, I made some short comments about it. I think perhaps the House would like me just to read section 3 of the Act in order to illustrate, I think, as clearly as any way, the effect of this amendment. Section 3 of The Anatomy Act reads:

The body of any dead person found publicly exposed or sent to a public morgue upon which a coroner, after having viewed it, shall deem an inquest unnecessary, or if any person who immediately before death was supported by any public institution, shall be immediately placed under the control of the local inspector of anatomy.

I might say that for some years now the local inspector of anatomy is usually a local coroner in a city or a municipality. This is subsection 2:

Unless such body within 24 hours after being so found or sent to a public morgue or after death where the death takes place in a public institution is claimed by certain people, a relative or a friend, or a person who is willing to pay a certain amount to defray or aid in the defraying of funeral expenses, or in the case of a body of a person who was supported in a county house or refuge, a county councillor, the same shall be delivered by the local inspector or some person qualified as hereinafter provided.

And then subsection 3 provides for an order being obtained from a magistrate under certain circumstances, but this is the subsection that is being removed by the bill. Subsection 4 shall not apply to the body of a mentally incompetent person who has died in an institution under The Mental Hospitals Act.

Mr. Speaker, removing that subsection merely puts a body of a mentally incompetent person who has died in an institution under The Mental Hospitals Act in the same category as the body of a person supported by any public institution and as otherwise outlined in subsection 1.

The effect, it is felt, of this amendment is that, in view of the need for additional anatomical material to assist in the university medical schools in this province—and there is a very serious shortage really of the necessary material of that sort for research purposes and the proper purposes of a school of that nature—some assistance at least will be given to the 4 medical schools in the universities of Toronto, Queens, Western and Ottawa.

I might say it is clearly understood that this sort of work must be necessary and serve a useful purpose, and that the body of the deceased will be treated with the dignity and respect which it deserves, and that it is only in cases where the body is not claimed by the persons I mentioned. Of course, the proper burial will take place eventually in accordance with the rites of any particular denomination to which the person adhered in his lifetime.

Mr. Wintermeyer: Mr. Speaker, would the hon. Attorney-General advise us whether this applies to all persons who die in mental institutions or only those bodies that are unclaimed?

Hon. Mr. Roberts: Those that are unclaimed are in the same category as the ones in public institutions.

Mr. Wintermeyer: Of course, we will not allow a mentally incompetent person to dispose of his physical possessions. We require a public trustee and other official bodies to assist in this administration, and we should take these steps with respect to his most precious possession, which is his body. Now, I recognize the ultimate need—has there been any effort made to take care of the need in a voluntary way?

Hon. Mr. Roberts: I think the hon. Minister of Health (Mr. Phillips) would know more about that than I do. He is not in his seat at the moment, but I will say that this will in no

way meet the needs in full. This is merely a step towards assisting a problem that is acute, and one which I think all who have to do with medical science know is necessary and is in the interest of the people as a whole.

I do not think in any way that this amendment is putting the bodies of people in that particular type of institution in any different position from the bodies of those who are perfectly mentally fit and are in other institutions or public institutions.

Motion agreed to; second reading of the bill.

THE BEACHES AND RIVER BEDS ACT

Hon. Mr. Roberts moves second reading of Bill No. 51, "An Act to Repeal The Beaches and River Beds Act."

He said: Mr. Speaker, I do not think I need add anything to what I said on first reading of this bill. I pointed out at that time that the Act has been on the statute book for some 46 years, and has been used only once in that period, and that the removal of sand from beaches and river beds is regulated now by another Act, The Beach Protection Act. This is merely getting rid of an unnecessary statute.

Motion agreed to; second reading of the bill.

THE CONDITIONAL SALES ACT

Hon. Mr. Roberts moves second reading of Bill No. 52, "An Act to amend The Conditional Sales Act."

He said: Mr. Speaker, this amendment is really just to make it a little more convenient in business practices to enable the verifying affidavit under section 14 of The Conditional Sales Act to be made by any officer, employee or agent of a corporation rather than certain designated ones only. This is a business-like widening of the authority to take the affidavit which has to do with notice or renewal statement on behalf of a corporation in respect to a conditional sales agreement.

Motion agreed to; second reading of the bill.

THE COUNTY COURTS ACT

Hon. Mr. Roberts moves second reading of Bill No. 53, "An Act to amend The County Courts Act."

He said: Mr. Speaker, this amendment is designed to expedite the administration of

justice in county court district No. 3, which is made up of the counties of Wellington, Huron, Perth and Waterloo.

The effect will be that the sittings of the county court of Waterloo with or without a jury will commence on the first Monday in June and December instead of the first Monday in June and the third Monday in November. This was requested by his honour Judge Charlton, judge of the county court of Waterloo, and approved by the inspector of legal offices and is, I think, a local situation that is justified.

I might just say in connection with this, mentioning the districts, that there are now in the province a number of county court districts. I hope to have something more to say about that at some later date during the session. But I do feel that the making of adequate use of the districts and of the county court judges in the districts should go a considerable distance towards better administration of justice and more expeditious dealing with cases in the districts concerned.

Motion agreed to; second reading of the bill.

THE GENERAL SESSIONS ACT

Hon. Mr. Roberts moves second reading of Bill No. 54, "An Act to amend The General Sessions Act."

He said: Mr. Speaker, here again what I said a moment ago in relation to Bill No. 53 applies to Bill No. 54 in relation to the same county court district, general sessions in this case.

Motion agreed to; second reading of the bill.

THE DESERTED WIVES' AND CHILDREN'S MAINTENANCE ACT

Hon. Mr. Roberts moves second reading of Bill No. 55, "An Act to amend The Deserted Wives' and Children's Maintenance Act."

He said: Mr. Speaker, this amendment will make available garnishee proceedings as a further method of collecting monies due under orders that are made under this Act and are filed in a division court.

The Deserted Wives' and Children's Maintenance Act is an Act that has brought a considerable amount of benefit to those unfortunate people, and in the year 1957, some \$2,765,700 was collected by way of support money for deserted wives and children, greatly by the assistance of probation officers and by

using a court process where that was necessary, and this particular amendment is to further facilitate such collections.

Motion agreed to; second reading of the bill.

THE INTERPRETATION ACT

Hon. Mr. Roberts moves second reading of Bill No. 56, "An Act to amend The Interpretation Act."

He said: Mr. Speaker, this amendment merely brings up-to-date, and in line with the present terminology, Her Majesty's titles as set out in The Interpretation Act. The present Act finds Her Majesty as the Sovereign of Great Britain, Ireland and the British Dominions beyond the seas for the time being. The change brings the definition up-to-date. It refers now to the Sovereign of the United Kingdom, of Canada and her other realms and territories, and Head of the Commonwealth.

Motion agreed to; second reading of the bill.

THE JUDICATURE ACT

Hon. Mr. Roberts moves second reading of Bill No. 57, "An Act to amend The Judicature Act."

He said: Mr. Speaker, this change means that local registrars of the supreme court appointed after April 1, 1953, and on full-time salary or remuneration do not retain fees in respect to examinations or references. It is simply bringing the Act into line with what is the actual practice and has been for some time.

Motion agreed to; second reading of the bill.

THE MAGISTRATES' ACT, 1952

Hon. Mr. Roberts moves second reading of Bill No. 58, "An Act to amend The Magistrates' Act, 1952."

He said: This bill, Mr. Speaker, is to allow, in addition to the safekeeping inspection of books and documents and papers of magistrates, the destruction of them by regulation.

Mr. H. A. Worton (Wellington South): Mr. Speaker, might I ask the hon. Attorney-General if there is any stated time they have to forego before they can destroy these records?

Hon. Mr. Roberts: Well, I would say that this will be done by regulation, and the

regulation will specify the time and the time would, I would say, be a substantial time after the documents originated.

Mr. H. C. Nixon (Brant): May I ask if, up to the present, the records from the beginning of time have been kept and never destroyed or cleaned out?

Hon. Mr. Roberts: I cannot answer that question as to how long back, but I could venture to say that all documents are intact from the time I took office.

Motion agreed to; second reading of the bill.

THE SURROGATE COURTS ACT

Hon. Mr. Roberts moves second reading of Bill No. 60, "An Act to amend The Surrogate Courts Act."

He said: Mr. Speaker, under the present section 10 of the oath of office of a surrogate court judge, the oath of office must be taken before a person appointed for the purpose by the Lieutenant-Governor, and this requires an order-in-council.

The change allows the senior judge at point of time or, if he is not present, the next senior judge, to administer the oath of office.

A similar change is being made in the swearing-in of the county court judges which is under Bill No. 59 which is not printed at the present time.

Motion agreed to; second reading of the bill.

THE MORTGAGES ACT

Hon. Mr. Roberts moves second reading of Bill No. 61, "An Act to amend The Mortgages Act."

He said: Mr. Speaker, this amendment provides that where judgment has been obtained in a foreclosure action, any person having a subsequent lien or encumbrance must now receive 10 days' notice of the judgment. He will then be able, if he wishes to do so, to stay proceedings by paying cost in arrears. That is the substance of the amendment.

Motion agreed to; second reading of the bill.

Hon. Mr. Frost: Mr. Speaker, I move you do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to; House in committee of the whole.

THE HOSPITAL SERVICES COMMISSION ACT, 1957

House in committee on Bill No. 45, "An Act to amend The Hospital Services Commission Act, 1957."

Hon. M. Phillips: Shall section 1 stand as part of the bill?

Mr. F. R. Oliver (Leader of the Opposition): Mr. Chairman, I may be unusually dense but I am not too clear on this. Does this bill change in any sense the plan for hospital care insurance?

Hon. Mr. Frost: I must say, Mr. Chairman, I am not surprised that the hon. leader of the Opposition might be a bit confused by the wording of this bill, because I must say I found it difficult to perceive the reason for it.

As I say, it comes about because of a difference of opinion between The Department of the Attorney-General, The Department of Justice at Ottawa, and the solicitors for the hospital services commission, Messrs. McCarthy and McCarthy.

I think, to put it very generally, the effect is this: Clause A of section 15 gives the power to formulate a plan. Section 13, if I recollect rightly, refers to the department of the federal government and ourselves agreeing upon a plan, and it is argued that it is impossible to agree upon a plan in section 13 which is not yet formulated under section 15.

Now the point is this, that it is just the fact that there are certain words there in accordance with the agreement mentioned in section 13. The argument is that a plan could not be formulated in accordance with the agreement because there is not an agreement until a plan is formulated. So we thought that to clear that up, we had better remove the words.

I may say that the point was raised by The Department of Justice at Ottawa but afterwards I think they then agreed upon the point of view expressed that the argument was not really very valid. Nevertheless we thought it would be better to strike the words out and then the matter would be entirely clear.

Mr. Worton: May I ask on this, does this finalize any further debate on this matter or is there any opportune time coming that we can discuss anything in regard to this Act?

Hon. Mr. Frost: If this goes through committee today it would be ready to receive

Royal Assent. Now I must admit that I have some diffidence in calling his Honour the hon. Lieutenant-Governor in here to assent to this bill, but perhaps if it reaches this stage, it may be acceptable by the other parties to the agreement that is contemplated.

Yes, it would end discussion on this particular bill, but may I point out to the hon. member that if he wanted to discuss hospital insurance, he would have the fullest of opportunity on the Throne debate and again would have the fullest of opportunity on the budget debate to discuss that and could make any elaborate speech he wishes on the principle of this bill.

Mr. Worton: Mr. Chairman, it was just a suggestion that I had that I wanted to put forth on it, and I was just wondering whether or not this is the time to promote it.

Hon. Mr. Frost: If it refers to this particular bill, yes.

Mr. Worton: Well, it pertains to something that I have learned in the past few weeks regarding different plans, and I had felt that at some time I could suggest it, if it was later on to a committee, that I feel that we have had numerous co-operative medical groups in the province which have done a good job—

Hon. Mr. Frost: It may please the hon. member that the matter he mentions could be brought up on the Throne debate where he could elaborate on the point of view he wants to express. It does not affect the principle of this bill. The principle of this bill is to permit the formulation of a plan upon which the various parties can agree. That is the purpose of this bill, but it does not go to the matter of the agreement that may be entered into in all of its details.

Mr. Worton: The point that I am trying to bring out is that I do not like making long speeches in the Throne debates, because I like to get my point across when I feel it is the time, so I just felt that this

was something I had to put forward and I would like to do it.

Mr. Oliver: At this point, Mr. Chairman, I think the hon. Prime Minister has said quite correctly that the hon. member for Wellington South will have ample opportunity to discuss phases of the hospital insurance scheme throughout the session. I would imagine, I do not know, that there would be some legislation by way of amendments or otherwise bearing on this question, when it will then be wide open for debate. Although I do not want to be dogmatic about it, I want to say to the hon. member for Wellington South that I think the comments he intended to make are not applicable to this particular bill, and that in my opinion as well as in the hon. Prime Minister's, there will be ample opportunity later on.

Sections 1 to 3 agreed to.

Bill No. 45 reported.

Hon. Mr. Frost moves that the committee do now rise and report a certain bill without amendment.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

The Chairman: Mr. Speaker, the committee of the whole House begs to report one bill without amendment and asks for leave to sit again.

Report adopted.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House, may I say that the business tomorrow will be Throne debate and we will proceed with the Throne debate and with the business of the House on every day succeeding. I move the adjournment of the House.

Motion agreed to.

The House adjourned at 4.55 of the clock p.m.





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Tuesday, February 11, 1958

Speaker: The Honourable A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, FEBRUARY 11, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Clerk of the House: Mr. R. E. Sutton, from the standing committee on standing orders, presented the committee's first report and moved its adoption.

Your committee has carefully examined the following petitions and finds the notices, as published in each case, sufficient:

Petition of the corporation of Windsor Jewish communal projects praying that an Act may pass exempting the Windsor Jewish community centre from taxation except for local improvements.

Petition of the board of trustees of the Roman Catholic separate schools of the town of Lindsay praying that an Act may pass providing for the election of the trustees by means of the regular municipal election machinery.

Petition of St. Peter's Church, Brockville, praying that an Act may pass authorizing the sale of the rectory.

Petition of the corporation of Huron College praying that an Act may pass constituting "Huron College corporation," "academic council" and "executive body" and defining their powers.

Petition of the Stratford Shakespearean Festival Foundation of Canada praying that an Act may pass exempting its lands from municipal taxes except for local improvements.

Petition of the corporation of the township of Grantham praying that an Act may pass providing for the constitution and election of the council of the corporation.

Petition of the corporation of the township of London praying that an Act may pass authorizing a pension plan for employees.

Petition for the incorporation of Sudbury Young Women's Christian Association.

Petition of the corporation of the township of Chinguacousy praying that an Act may

pass authorizing the sale of the municipal telephone system to the Bell Telephone Company of Canada.

Petition of Canadian Pacific Railway Company praying that an Act may pass vesting the assets of certain subsidiary companies in the company and dissolving the said companies.

Petition of Waterloo College associate faculties praying that an Act may pass granting power to expropriate lands required for the college.

Petition of Queen's University praying that an Act may pass granting certain powers of expropriation to the university.

Petition of the Ontario Dietetic Association praying that an Act may pass granting to the association the right to regulate the standards of practice of its members and securing to the association the designation "registered professional dietitian."

Petition of the corporation of the township of Teck praying that an Act may pass validating an agreement between the corporation and certain mining companies for the supply of water to the companies.

Petition of the corporation of the city of Toronto praying that an Act may pass authorizing a simplified expropriation procedure for street and lane openings in the city; and for other purposes.

Petition praying for an Act to incorporate the Society of Professional Directors of Municipal Recreation in Ontario.

Petition of the corporation of the city of Belleville praying that an Act may pass authorizing the appointment of a city manager; and for other purposes.

Petition of the corporation of the town of Almonte praying that an Act may pass authorizing a debenture issue for sewer and water works construction.

Motion agreed to.

Motions.

Mr. Speaker: Introduction of bills.

Orders of the day.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before the orders of the day, I would like to make the following statement:

On January 30, 1958, a brief was presented by the Individual Dump Truck Owners' Association to the select committee on labour relations of the Ontario Legislature. This brief for the most part was devoted to allegations, and I am using the wording of the brief, that "unlawful pressure, intimidation and coercion" were alleged to have been exerted on the membership of the Individual Dump Truck Owners' Association by—and I again use the words of the brief—the Teamsters' Union, with the intention of obtaining bargaining rights by means contrary to law.

The brief instanced a number of occasions of violence and threats, and asked the committee to recommend some positive solution to prevent any recurrence of the matters placed before it.

Following the presentation of the brief and after discussion in the committee, the following resolution was carried:

moved by Mr. G. E. Jackson (London South) and seconded by Mr. R. Macaulay (Riverdale) that the allegation made by Mr. Watson and Mr. Harvey of the Individual Dump Truck Owners' Association to the select committee be referred to the Attorney-General for investigation by his department.

I understand that there was one dissenting vote cast, not because the person was opposed to the investigation but because he felt the committee itself was the proper forum to proceed with such an investigation.

I am informed that, following the passing of the foregoing resolution, a brief was submitted by the Aggregate Producers' Association of Ontario which supported the allegations contained in the brief of the Individual Dump Truck Owners' Association.

Mr. I. J. Thompson, who, I understand, is the regional director of the central conference of the International Brotherhood of Teamsters, told the committee at that hearing that he would, and I use the words appearing in the transcript, "welcome an investigation into this allegation and will co-operate to the fullest extent to have the facts ascertained." I first heard of the action of the Legislature by long distance telephone communication from a member of the press at Moosonee which is still Ontario's only seaport, but its claim to that distinction will soon be a thing of the past. The communication to me on Friday, January 31, of this resolution illustrates the excellent means of communications existing in our province, or perhaps good police work, because I took the message in the new detachment office of the Ontario provincial police office at Moosonee.

Since my return from that distant point I have received a telegram from Mr. I. M. Dodds, president of the Teamsters' Local 880, International Brotherhood of Teamsters, from Windsor, Ontario, assuring me of the co-operation of his union in any action decided upon.

It should be noted that The Department of the Attorney-General is not equipped to conduct investigation except through the criminal investigation branch of the Ontario provincial police. I do not think that the assignment of criminal investigation branch personnel to investigate allegations of this character would be satisfactory. The investigating officers could only interview witnesses and make a report. Such a report would have no legal consequences and would fall within the jurisdiction of hearsay evidence and would not, of course, be subject to cross examination.

I feel then, Mr. Speaker, that perhaps the most satisfactory way of dealing with the subject, now that the resolution of the select committee has been passed (and I am one of those who always feels that a resolution from a representative body, such as that, is one that is entitled to the very greatest of consideration, especially when it is chaired by such a fine chairman as this particular one is) and presented to me, is by the appointment of a commission under The Public Enquiries Act.

I am pleased to report to this House that the hon. Mr. Justice Wilfred Roach, of the Ontario court of appeal, has been appointed a commissioner under The Public Enquiries Act to inquire into the allegations contained in the briefs that I have just mentioned.

Mr. Justice Roach has had a long and intimate association with employer-employee relationships, and in my opinion enjoys the confidence of both management and labour. We are fortunate indeed in having his services available for this important undertaking.

The commissioner will be supplied with competent counsel in the person of Charles Dubin, Q.C., a lawyer extremely well versed in labour matters.

Hon. W. J. Dunlop (Minister of Education): Before the orders of the day are called, I should like to provide for the hon. member for Waterloo North (Mr. Wintermeyer) certain information for which the hon. member asked yesterday.

As the hon. member knows, but as perhaps hon. members of the House generally do not, Waterloo College in his riding, I think, has inaugurated a plan for the training of engineering assistants. This plan provides that a student attends college for 3 months and then is employed with pay in an industrial plant

for the next 3 months, then goes back to college for another 3 months and so on. This is a statement which comes to me from the chairman of our committee on bursaries.

The hon. member probably had reference to a number of students who were awarded Type A university bursaries last summer, and later decided they would prefer to enter the co-operative applied science course at Waterloo College rather than the regular engineering course at one of the other universities designated in their applications.

Inquiries from some of these students were received by the departmental bursary committee as to whether or not their awards would stand should they make the change, having regard of course to the fact that they would be remuneratively employed in alternate 3-month periods under the Waterloo College plan. The dean of the college was consulted as to the financial needs of these students.

After careful consideration, the figures for Type A bursaries to non-resident and resident students entering the above course were fixed at \$300 and \$150 respectively. That these amounts were considered satisfactory is indicated by the following paragraph from a letter written by the dean of the college to the superintendent of secondary education on September 20, 1957. "The amounts designated," he says, "appear quite sufficient in view of the additional opportunity for employment that these students will have." Their original awards were, therefore, reduced from \$500 to \$300, or from \$250 to \$150 as the case might be, which I think the hon. members will agree, Mr. Speaker, was a perfectly reasonable and logical procedure.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, the inquiry which I had made had no reference to Waterloo College. It was with reference to students in the University of Toronto. It was a personal investigation. I am quite prepared to accumulate the names in the particular colleges if it be the wish of the hon. Minister.

I did make further inquiries last night and was told that probably the total number of dollars had not decreased, but that there were more applications last year than in the previous year, and that in reference to the particular increased number of applications, lesser amounts were given than were given in the previous years. It had nothing to do with Waterloo College, but had to do with the University of Toronto.

Hon. Mr. Dunlop: Mr. Speaker, if the hon. member will supply me with that information, I shall certainly be glad to investigate.

Hon. W. A. Goodfellow (Minister of Agriculture): Mr. Speaker, before the orders of the day, I would like to call to the attention of the hon. members this fine-looking group of young men that we have in the east gallery this afternoon, who are enrolled at the Ontario Agricultural School at Ridgetown. These young people are the second-year students who will be graduating this year from that school. They are in Toronto today to look in on the proceedings of this House as well as to visit some other places of interest that they felt would be useful to them in their course of training.

I may say in this day and age, when agriculture is becoming more competitive, that it is more and more important that young men who intend to be farmers must be well equipped. Perhaps no vocation today, or in the future, will require the kind of training that successful farmers will need. I am sure the hon. members join with me in welcoming to this assembly this fine group of young farm people from western Ontario.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day are called, may I ask the hon. Prime Minister (Mr. Frost) whether he is yet in a position to give a report to the House on the investigations into the protests in connection with the pipe line in Temiskaming and particularly whether the government feels that it can grant legal aid.

Hon. Mr. Frost: I may say that I discussed that matter with the hon. Minister of Agriculture and we had some difficulties in south-western Ontario, and in that case a committee of farmers was set up. We are proceeding with that same method at the present time. I think my hon. friend could perhaps give a fuller description than I could.

Hon. Mr. Goodfellow: Mr. Speaker, last year there seemed to be a great deal of misunderstanding, and I would say this misunderstanding for the most part occurred between the gas company, which was laying a pipe line from Sarnia to the Hamilton area, and farmers in that area.

There was justification on the part of many farmers for their feeling against the attitude which the pipe line company assumed before securing proper easement agreements. The workmen proceeded due to the fact that, with the pipe line company, there was urgency in connection with the completion of the line, and they proceeded in many cases to cross farm property before the easements had been signed.

I must say that a good deal of consideration has been given to the agreement which is now entered into between the farmers whose properties are being crossed and the pipe line company.

I do feel, in going into it very thoroughly with the former hon. Provincial Treasurer (Mr. Porter), and the fuel controller at that time, that the farmers are very well protected in the new agreements between the pipe line company and the farmers whose properties are being crossed.

We appointed two outstanding farmers as liaison officers between the government, so to speak, and the farmers and the pipe line companies, and I am very pleased with the results of the work which these two men have done in creating a better feeling of understanding. They went into the farmers' problems with the pipe line companies, and I must say the public relations immediately became much better.

The hon. member for Lambton (Mr. Janes) can tell the hon. members of some of the experiences he had in connection with the laying of the pipe line through his particular county and I think, Mr. Speaker, that in most cases it is a matter of poor public relations and misunderstanding.

I would be prepared to suggest at this time that we consider the appointment of someone in northern Ontario throughout the agricultural areas to work with the pipe line company and the farmers, in order to see that the farmer is properly protected and understands what the easement agreements are all about and so on, because he is an individual and always more or less fearful, I suppose, that he is dealing with big interests and is not protected. I feel we would be quite justified in appointing someone to look after his interests in northern Ontario through The Department of Agriculture.

Mr. E. P. Morningstar (Welland): Mr. Speaker, before the orders of the day, I am happy to say we have a warden, Arthur Bridge, in Welland county, who is really a second Sir Winston Churchill, and who is perhaps the unique warden in Canada. He has been in municipal affairs for many years and this year at the age of 84 attained the highest office in the county of his fellow councillors by being elected warden of the historical county of Welland.

Mr. Speaker: Before the orders of the day, I would like to add my personal word of welcome to the students from the Western Ontario Agricultural School at Ridgetown,

students from Stamford Collegiate Institute, from Lillian Street School in Willowdale, and also students from the Toronto Teachers' College.

And, in the west gallery, we also have 25 ladies from the Third Thursday group of Willowdale. This group meets on the third Thursday of each month to study the functions of government at its various levels, and I am sure that all hon. members join with me in extending to these groups a very warm welcome to the legislative assembly this afternoon.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1. Eighty-first annual report of the Ontario Agricultural College and Experimental Farm for the year ended March 31, 1957.

2. Report of the Ontario Veterinary College for the year ended March 31, 1957.

3. Report of the Ontario Food Terminal Board, The Department of Agriculture, Ontario, for the year ended March 31, 1957.

4. Report of the Co-operative Loan Board of Ontario for the year ended December 31, 1957.

Mr. Speaker: Orders of the day.

Introduction of bills.

THE SCHOOLS ADMINISTRATION ACT, 1954

Hon. W. J. Dunlop moves second reading of Bill No. 46, "An Act to amend The Schools Administration Act, 1954."

He said: I have explained this fairly fully on first reading, Mr. Speaker, and I may now say that it deals with the right of a teacher of music, art, crafts and so on, called an itinerant teacher, to have the usual arrangements regarding sick leave, and to be allowed to participate in the teachers' superannuation fund.

There is another amendment which requires that a principal and an adequate number of teachers, all of whom shall be qualified according to Acts and Regulations, must be appointed and provides also that a supervisory officer may be appointed in a municipality, and also provides that any person may, at all reasonable hours, inspect the books, audited financial report, and so on of the school board.

In another amendment, it provides for the election of trustees biennially, just as in the case of municipal councils. Three of them provide for that.

Then, a school site is defined for the reason that certain buildings may be erected on a school site. And then there is the long amendment providing for payment by inhabitants of trailers for the education of their children, \$2 a month for elementary education, and \$3 a month for secondary education. That is it.

Motion agreed to; second reading of the bill.

THE SPEECH FROM THE THRONE

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, in rising to make some remarks the extent of which I am not quite sure at the moment on this debate, I want to say first of all that I am happy, as all hon. members are, I am sure, to know that you are again presiding over the deliberations of this assembly.

In the present method employed in electing Speakers, I do not know that we could hope for a more impartial Speaker than the one we have presiding at the present time. We feel that not only have we your confidence, but that that confidence is mutual, and in your inimitable way you have a power over the hon. members of the Legislature that keeps things running smoothly.

In my preliminary remarks I want to say something about the speeches of the mover and the seconder of the address in reply to the speech from the Throne. My friend, the hon. member for Peel (Mr. Kennedy) moved the address in reply, and he is, as all of us in the House will agree, a very affable hon. member, a man of great experience in and outside the Legislature. He has a disarming attitude, he disarms his opponents and leaves them wide open to the sort of propaganda that he wishes to impart.

It is a very difficult task to oppose the ideas of my hon. friend, even if one were inclined in that direction. All hon. members welcome the speech that he made and the sound truths that were contained therein.

He has had, as I have mentioned, a long and varied experience in this House, and that experience is a great help not only to his own party but to those who have known him as a friend over the years.

Also, the hon. member for Glengarry (Mr. Guindon) in an eloquent reading of a very long speech—I just want to say this to the hon. member, and it is not meant in a critical tone at all—and this is what I would say, that no government, not even this one looking through his eyes, could be as good as he

portrayed it to be in his speech in the House the other day. It must be, Mr. Speaker, that the hon. member has not been fully initiated, not only with the virtues of this government, but also its shortcomings.

Its virtues we heard of the other day, and we can look forward some day, I presume, to hearing something of its shortcomings. I do not expect, however, that they will fall from the lips of the hon. member for Glengarry.

I want to say this to the new hon. members generally—and there have been a number of them introduced in this session—all of us welcome the new hon. members to this Legislature, and all of us will be friends to those new members as they seek to embark on the duty of representing their people in this Legislature.

I could well have wished that others would have been here in their stead, but that was not to be, and to those who were elected from these various ridings I want to say on the part of all the hon. members in the House, I am sure, that we welcome them and will work with them in making Ontario a better place in which to live.

When I say that, it may be that I am borrowing a phrase from the hon. Prime Minister (Mr. Frost), but if it is, it is one of his better phrases and I do not mind employing it for this particular purpose.

When we come to this document which tradition has labelled “the speech from the Throne,” I want to say of it, after a careful perusal, that it looks awfully like other speeches from the Throne that I have heard and seen over the last 30 years.

A speech from the Throne is intended to convey to the hon. members of the Legislature an outline, and the more brief the outline the better, of legislation that is about to be introduced in this Legislature. In keeping with that definition, this speech from the Throne was on a par with those that have gone before. It discussed, as hon. members will recall, a variety of subjects having to do with this Legislature and over which this Legislature has control.

When one thinks of the size of this province and of the many and varied problems that confront our people and that are subject to laws enacted by this Legislature, it is not surprising to appreciate that in the speech from the Throne there was attention paid, however scant that attention may have been, to a great number of subjects.

In my remarks this afternoon, I do not intend to mention or discuss the speech from the Throne in detail, nor do I intend to make

remarks about all the subjects that were enumerated in the speech from the Throne. I am not going to say anything at this time in respect to hospital insurance because I am persuaded that there will be ample opportunity to discuss the various aspects of this very important bill, the benefits of which will start to flow to the people of Ontario next January 1, all being well.

I am not going to discuss the fact that the speech from the Throne failed to mention whether or not the committee which was appointed to examine into the set-up of Metropolitan Toronto would report to this Legislature. Now, it may be that this committee was so partisan in its composition that it is felt by the government that it is not proper for it to report to the Legislature, but rather to report to the government itself. I would agree that it makes little difference whether a committee so partisan in its character reports to the Legislature or to the government.

While I am on this subject, I want to say—I think I have said it before but it bears repetition—that I hope I never in this Legislature witness a government having the nerve, the audacity or the gall, or whatever one likes to call it, of appointing a committee of this Legislature to deal with a matter of provincial importance and appoint only hon. members of the government party to that committee.

In my way of thinking, Mr. Speaker, the government in adopting that course has pursued a path which it should not have put its foot upon.

The matter of Metro is one which affects not only the city of Toronto and those areas that are adjacent thereto, which are included in the Metro set-up but an analysis of the Metro situation is one that very probably would and could have its effect on other areas of the province of Ontario, and as such that committee is one which in my judgment should be representative of all hon. members of the House.

It may be for this reason that there is no mention of this committee in the speech from the Throne, or what has happened to it, or whether it will report. There is no mention—at least I did not find it in the speech from the Throne—as to whether the committee on labour relations will report to this session of the Legislature.

I would say to the hon. Prime Minister that, in these days when unemployment is at its highest figure since the 1930's, it is of vital importance that a committee so related to the problems of unemployment should report to this Legislature, and there should be an in-

dication in the speech from the Throne that it will report to this Legislature.

If there ever was a time in the history of this province when The Labour Relations Act should be brought into conformity with present-day needs, that time is now, and the responsibility for delaying the report and the findings of the committee is on the government's shoulders.

There should be, I suggest to the House, at least an interim report. There should be a full opportunity for hon. members of the Legislature to express their views and give their opinions in relation to labour legislation as a whole, and there should be an opportunity to analyze what the government proposes to do in respect to amending The Labour Relations Act, particularly in view of the abnormal conditions existing throughout this province in relation to employment.

I am not going to discuss the field of provincial-municipal relations at this time, others of my colleagues will deal with that, I am sure very effectively.

I want to discuss a number of subjects, however, Mr. Speaker. I do not want the House to run away with the idea that, because I have eliminated some, I have eliminated all. There are 4 or 5 subjects, with which I want to deal perhaps rather extensively this afternoon. I deal with them because I think that they are of paramount importance, particularly as they apply to this Legislature and to the day in which we live and the time through which we are passing.

I want to make particular reference to The Department of Education, and I think I should say at the outset that I am perhaps, in the minds of some, not particularly equipped to deal with The Department of Education and all the questions that pertain to that department, both in the monetary sense and in the strictly educational atmosphere of the department.

I feel, however, that I am competent, and that I have a duty to discuss these problems frankly as I see them, and have come to understand them not only because of my membership in this House for a great number of years, but because of my interest in the problem and of the searching and the analyzing that I have been able to do in respect to the whole question of education.

Therefore, Mr. Speaker, I want to deal at some length with The Department of Education.

Now, the hon. Prime Minister has referred many times to the 3-year plan. There is just one thing at the moment that I want to emphasize about the 3-year plan. It was men-

tioned again, quite properly, in the speech from the Throne. Of the 3-year plan, one year's objective has been unfolded pretty well before the legislators, and another year—yes—well, there are slight indications of what the second year's objective might be.

We do not know at all, we have not even had a glimpse of what the third year's objective is, except that the plan says that the third year will consist of "further refinements." Now what those are, of course, time will tell, unless the hon. Prime Minister chooses to tell before time tells. In any event, we know exactly what the first year's plan is, we have had a glimpse ever so fleeting of what the second year's plan is to be, and we have no conception and cannot be expected to have of what the third year's plan is.

There is just one observation I want to make in respect to the plan as we know it, as much of it as we know. In essence, it is a financial plan, dealing almost in its entirety with the grant system as applied to our schools. It deals with the matter of equalization—or will—and it is restricted to the financial aspect of the schools of Ontario. There is nothing in the plan that we have seen or that we could hear, that has anything to do with the curriculum, that has anything to do with departmental examinations, there is nothing to indicate that the government is not fully satisfied with what is going on in the rest of education outside the financial aspects.

I want to deal first of all with those financial matters because, after all, they are of paramount importance. I believe, and have said it before in this House and want to repeat it, that the day has come when the province of Ontario must, not from choice but from necessity, assume a much larger share of the cost of education. One can find in a study of the accounts of different states of our southern neighbour, that some of those states across the line assume up to 80 per cent. of the cost of education, while in Ontario, this year if these new grants are put into effect, the government will be assuming something like 40 per cent. of the cost of education for the first time in quite a substantial number of years.

Back in 1945, the province paid 45 per cent. of the cost of education, and then we slipped back into the 30 per cent. field all through the intervening years. If the size of the grants actually are as indicated this year, I say that for the first time in many years we will be paying some 40 per cent. of the cost of education.

When hon. members hear the hon. Prime Minister, as we will again probably this

afternoon, if he speaks, talk about the large increase in the grants to education, they can almost be convinced, if they are gullible at all, that the amount of money by which he has increased grants for education is in fact lowering the cost of education to the municipal taxpayer.

Now, the bald, unvarnished truth, of course, is that the municipal payer of educational taxes pays more now than he did 10 years ago, and his share of educational tax continues to rise in spite of the increased grants from the provincial government. To say it in another way, the grant increases from the province of Ontario for the purposes of education have not kept pace, nor nearly so, with the increased cost of education at the municipal level.

I want to say further to this House, Mr. Speaker, in repetition of what I have already said, that the day is at hand in this province when whatever government is in power should recognize the prime responsibility of assuming a greatly increased cost of education. We are spending, on education in Ontario, only some 20 per cent. of the provincial budget. We are proud to proclaim from the housetops that our children are our greatest asset, and that no money should be spared in seeing that they not only have the best schools in which to be taught, but that they have the best system of education. Now a government which subscribes to that very worthwhile doctrine, it seems to me, must at one and the same time subscribe to the principle of paying greatly increased costs for education.

Now then, the financial aspect of education, with which the House is conversant, is, of course, not the only one. I want to direct my remarks to the hon. Minister of Education (Mr. Dunlop) for a few moments about two or three matters that have to do with the other side of education, not the dollars-and-cents side but that which deals with instruction, the side that deals with the plans that we have in mind to impart the best we have to the children of this province so that they may learn the maximum in the years in which they attend school.

The House will recall that last year the speech from the Throne made extensive reference to the shortage of teachers, and they called it, I think properly, "a problem of some magnitude." This year, in the speech from the Throne, there is no mention of the teacher shortage. I expect we are to assume that in the year that has elapsed since last we met, what was a tremendous problem has evaporated and that there is no teacher

shortage today. That of course, as the hon. Minister quite well knows, is not the case.

I want to say to the House quite frankly that this is not a new problem in Ontario. I suggest it cannot be called an emergency problem any longer, because it has been with us longer than any emergency should be. I have for instance, as the hon. Minister will recall, an extract from a preliminary report of the Hope commission in 1949 on this particular matter, and I was quite taken with their recommendation and their findings almost 10 years ago. That report said to the Minister of the day, in respect to teachers:

The first objective must be to discontinue the emergency normal school summer sessions and the issuance of letters of permission.

Almost 10 years ago, the finding of experts in respect to education said to the Minister of the day that one of the greatest problems we have, and one of the first objectives that we should have in mind, is the discontinuance of the emergency normal school summer sessions and the discontinuance of the letters of permission.

Now, almost 10 years have passed since that report was made to the Minister of Education of the day, and I suggest to this House that the emergency that existed in 1949 is still with us; that its magnitude has not diminished in the last 10 years; and that the problem is still a problem for this government in the present day.

I do not know, Mr. Speaker, just what the views of the hon. Minister are in this regard, but it seems to me that the great danger is this—that what was once called an emergency in education is now going to become a permanent part of our educational system. Ten years have passed since the Hope commission report said that we should discontinue the summer courses, and that we should deny further letters of permission to teach, and in those years there has been no meeting of these objectives concerned.

What I am alarmed about, Mr. Speaker, and it seems to me that the alarm is general, is this, that the hon. Minister of Education and the department over which he presides has become so used to these emergency summer sessions, and these letters of permission, that they are not regarded any longer as an emergency but have become part and parcel of the thinking and the acting of The Department of Education of this province.

It seems to me inconceivable that we are going to adopt, as a permanent policy of The Department of Education, the training of

school teachers in 6 weeks after they have graduated from grade 12. We are asking too much of these young people; we are expecting too much of them.

More, it seems inconceivable we are asking the school children of this province to put up with—I do not want to make the words any milder—to put up with instructors who are not adequately and properly trained to teach them. I am quite concerned over this matter, as perhaps the hon. Minister is, but what we are doing at the present time is perpetuating a situation that should have been a short-term situation, and should have been regarded entirely as an emergency matter.

I want to come for a moment to the curriculum, and to the other parts of the instruction end of education. Back in the days prior to the Porter plan, we had, of course, a rigid instruction in the schools, I mean within rigidly drawn lines. We had, as hon. members know, departmental examinations all along the line; we were obliged as pupils to subscribe to a pretty closely drawn curriculum put out by The Department of Education.

Then a new day dawned so far as education was concerned, and these examinations were done away with in one fell swoop so far as The Department of Education was concerned. There are no examinations up to, as I understand it, grade 13. None are insisted upon by The Department of Education. There is of course the curriculum as such; it is what might well be called a “floating curriculum.” It is one that is completely flexible; much is left—in fact almost all is left—to the teachers and to the pupils in respect to the curriculum. All the hon. Minister of Education does is to suggest to them in a very broad, general sort of way what the curriculum should be.

Now I want to say as firmly as I can that in my judgment, we should not go back to the rigid curriculum and the examinations experience of a number of years ago. But I do say this to the hon. Minister of Education that, in my judgment, we have gone already altogether too far in the other direction, and I think the time has come in Ontario when The Department of Education must return, to some extent at least, to departmental examinations, and must exercise much more control over, and direction of, the curriculum in our elementary schools than they do now. I think we have gone too far.

Nobody wants to go back, at least I do not, to the little red schools; nobody wants to go back to the rigid set-up that we had before.

But I think all of us are coming to an appreciation of what is a very substantial fact, that in ridding ourselves of one system, we have gone too far in the other direction. I know for a fact, that it is time we took a good hard look at the curriculum, the teacher standards, and the matter of direction from The Department of Education to the teachers and to the school boards of this province.

After all, Mr. Speaker, it is all right for us to say that we spend millions of dollars in building new schools. It is all very fine to say that we transport the children to school as we did not in former days; and that they are provided with meals at the lowest possible cost. All that is to the good. But all that does, I suggest to the hon. Prime Minister and to the hon. Minister, is to make education more available to a greater number of children. It is a good thing to be taught in new schools, a good thing to be drawn to those schools, but those factors are not the answer to our educational problem.

The two best teachers I ever knew in my life drove 7 miles every morning to high school and did that all through their high school years and they were, as I say, two of the best teachers that one could wish for. So that to say that we are providing conveyances to draw the children to school now, and that we are constructing new buildings, is not saying that we are giving them a full and complete education. It is not saying, I suggest to the hon. Minister, that the department is taking the proper attitude toward the teachers and the pupils of this province.

I have said these things because I felt them for a long time. I believe that the people generally in Ontario are getting around to the place where they feel that there should be more discipline and when I say discipline I do not mean strapping, I mean discipline in its general applied sense. I think we are getting around to the place where examinations must be returned in measure or in part to our school system. We are getting around to the place where The Department of Education, after having assessed all aspects of the problem, must assume greater responsibility for the curriculum and see that it is enforced in the schools of Ontario.

That is all, Mr. Speaker, I wanted to say at the moment about education.

I want to deal now with a subject with which we are all familiar and that is agriculture. I do not make any apology for dealing at some length with this subject this afternoon, because in this Legislature and in the federal Parliament, there has been more

attention given to the agricultural industry this last year or so, than has been given to it for a long time.

I want to start off this way, if I may. The House will recall that last year we put, on the order paper, a motion which asked the government to set up a committee to examine into the economic conditions of the farmers of this province, and particularly to give attention to what could be done in respect to price spreads and research as applied to the agricultural industry.

Two things should be said about that, and the first one is this, that I believe that the government would have been wise to have accepted that motion. Now, some hon. member will say this afternoon that the federal government has already undertaken to inquire into and to investigate the price spread as between what the farmer receives and what the consumer pays. That, of course, is accurate. Some time after an event on March 31, they are going to get around to assessing this problem. I am going to say something about that later on, I will just reserve any comments that I have at the moment.

What I want to point out to the House is this, that that deals with only one aspect of the farm problem, and I do not think that it is actually the most important problem that faces the farmers of Ontario and of Canada. I believe that applied research and creative research can do much more than it has done for the farm industry.

Last year the hon. Minister of Agriculture (Mr. Goodfellow) was pretty well satisfied with what was being done in respect to research, yet this year in the speech from the Throne there is a promise that greatly expanded research will apply to the agricultural industry.

Industry in this province has stolen research to the exclusion of the agricultural industry, and agriculture has therefore fared badly in getting returns from the value of research in this province. We have had applied research, but so far as creative research is concerned we have had little or none, and until this move in a declaration in the speech from the Throne there was no intention that we were going to have any. And I suggest one of the bigger things that we can do for the industry is to determine how much expanded research can assist in the various ways in which it can be applied to the agriculture industry generally.

The other way I think we could have helped by this committee was by examination into the economic conditions generally of the farm people of Ontario. The resolution asked that,

and we were justified if not impelled by good sense to have given the farm people of this province that sort of a committee. It would have examined into price spreads, economic conditions and research in particular.

Now I want to say that there has been some move federally in respect to the agricultural situation. Some enactments in the last and only session of the federal Parliament dealt with the farm problem. I want to say just briefly but as firmly as I can that the legislation placed on the statute books by the Diefenbaker government is quite inadequate and quite unrealistic as applied to the needs of the farm people in this province and other provinces of Canada. Why would they not vote for it? I ask because actually it is only an extension and an expansion of the price support programme of the late Liberal government. Nothing more, nothing less.

I am not complaining, except this, that I said on the legislation under the old Liberal government, as I say it of the Diefenbaker government, that that sort of approach and that sort of an applied solution is quite inadequate to meet the general over-all problem of the farm people of this province. All that legislation does in actual operation is to guarantee that the farmer will get 80 per cent. of the price of his product over the last 10 years in average, but of course anyone looking at the problem will appreciate that does not meet the situation at all.

All that legislation does is to keep the farmer from going broke. All it does is to keep him out of the poorhouse. It does not give him a reasonable or a fair share of the national income at all. What we have to have by way of farm legislation is legislation that is tied to the cost of production, that bears a relationship, and a close one, to what it costs the farmer to produce agricultural products.

That is not what Mr. Diefenbaker is doing, and if one reads the proposal he will know it is not what he is doing. It has nothing whatever to do with it.

Time after time the hon. Minister of Agriculture in the House, when questioned on this point, said it had nothing to do with parity prices, that he was afraid of parity prices, and of tying the price to the actual cost of production. He kept away from that, as far away as night is from day, and then he tried to read into it what my hon. friend is suggesting. He certainly must be reading with a magnifying glass, indeed.

The commission that was set up, and I think my hon. friend knows this, has primarily to do with the price spreads between the producer and the consumer. My hon. friend is

portraying all too clearly a lack of knowledge on these subjects when he said what he has just said this afternoon. Of course the inquiry initiated, but not carried out as yet by the Diefenbaker government, has to do only as between the cost to the producer and to the consumer.

Now I am suggesting to the House that we are not going to settle or cure the farm problem until by government action we say it a different way, that the farmer is entitled for his production a fair share of the national income. And up until now and including what my friends are trying to do at Ottawa, we have not even approached that problem at all.

Hon. Mr. Frost: Let him tell us what his party did in the last 23 years.

Mr. Oliver: I do not know whether the hon. Prime Minister remembers or not, but I am independent enough to have said in this House and other places that what the federal Liberal government were doing was not enough, and I say again this afternoon that, as inadequate as their programme may have been, the programme of the Diefenbaker administration is even less able to meet the problems that exist in agriculture.

I would say to the House, in pursuing this point, that there is a conception quite widely held that farmers should be careful that they do not get the price of their product too high for the world market. Well now, newspapers, editorial writers and others and sometimes governments are saying this to the farmers, "there is a danger and a rather imminent one that you will get your costs so high that you cannot trade on the world markets." I want to say this afternoon that the world price for agricultural products is a starvation price, and that the Ontario and Canadian farmer should no longer be expected to meet the world price for agricultural products. How can they meet the world price for cheese when the New Zealand price for cheese is some 17 cents per pound and our price is 34 cents a pound? How can the Canadian or Ontario farmer be expected to compete with that sort of an atmosphere? I suggest that we want to look at the agricultural problem in a different light altogether. There is not much of a surplus of basic agricultural products except wheat, and the sooner governments, both provincial and federal, recognize that the small surplus there is of basic agricultural products must have nothing to do with the domestic price received for those products the better it will be. The world price in the past has exercised all too great an influence on the price that the farmer

receives for his products at home. And the day is fast approaching if we are realists, and I hope we are, when we will say to the farmers of Canada: "You are entitled not only to a fair share of the national income but you are entitled to a share that measures up well with what the rest of the people make in the various lines of endeavour."

May I suggest that in Ontario, as in Canada, we are not doing that very well. The hon. Minister says he is raising the money for fall fairs, is building more buildings at Guelph, and is actually doing a lot for the agricultural people. Well, actually, the problem has become so great that the hon. Minister, I think, completely misses the point, and I give him the benefit of the doubt that he would not want to miss the point. It seems to me that he is missing, to a degree at least, the problem that exists.

I do not know how many hon. members saw this article in the *Globe and Mail*; appearing as it does in the *Globe and Mail* I can vouch personally for its authenticity. This article was printed on February 5, 1958, just recently, and said: MASS FARMING SAID TO BE THE SOLUTION TO HAND-OUTS.

The fellow doing the talking was a chap by the name of Alfred Leatherbarrow, and it says he is a farmer conservationist from Elora.

This man was speaking to the Meat Packers Council of Canada, and said that "they should get into large-scale farming directly and run units of several thousand acres on a corporation or profit-sharing basis." And he said further on in his speech, "I am here now to challenge you to take over agriculture in this province and in this country." He was talking to fellows whom I am sure would be receptive to the plan he was outlining.

I would think, however, if farming is to be taken over, let it be taken over by farmers and not by meat packers. I mean, this whole system is growing up around our ears and we do not seem to be doing too much about it.

When I farmed 20 years ago, we used to keep 200 to 300 hens on the farm and we thought we made a nice little profit out of that sideline. No average farmer keeps hens today, and the reason he does not keep them is because he cannot afford to. The "big fellows" have taken over the poultry industry in total, and by taking it over in total they have deprived the ordinary farmer on the 150 or 200 acre farms from making what used to be a pretty good nest-egg in the fall of the year.

We have the meat dealers and the meat packers, and we have all these giant corporate

bodies with unlimited funds at their command, with the ability to get the feed at the lowest possible price and with the opportunity to produce these products in abundance, in great volume, and no farmer situated on a 150 or 200 acre farm can compete with that.

What has been done, in respect to hens or chickens or fowl, or poultry, or whatever we like to call them, is in the process of being done with hogs. I am sure rural hon. members of this House will agree with me, we have today feed companies and packing-house companies that are into the hog business on a tremendous scale, and slowly—and I am afraid it is not too very slowly, but let us say slowly but surely—they are moving the ordinary farmer off his farm so far as poultry and hogs are concerned, and they are now getting into the cattle business as many hon. members from southwestern Ontario can attest.

We are getting into this big-scale production, and I suggest to this House that two or three decisions have to be made and rather quickly. If we are going to have to go into corporate farming by organizations with which the farmers are not connected, and over which they have no control, then let us say so, and let us face this matter in a real way, because if we are to have corporate farming on a large scale then it should be done by the farmers of this province, not by the middleman, not by the feed dealers, not by the packing-house companies.

This is the position we are getting into in Ontario at the present time. We are moving resolutely toward the goal of doing away with the small farmer and are getting into the position, whether we like it or not, where the farmers of this province are becoming the hewers of wood and the drawers of water for corporate concerns over which they have no control and no financial interest at all.

I suggest that unless we are going to become an industry of tenant farmers, an industry of peasants in this province, then it is time for government, both federally and provincially, to come to grips with this problem, not by scratching at the surface but by really getting down to the kernel, finding out what the trouble is and applying the remedy fearlessly and courageously and up until now I suggest that this has not been done.

I want to speak for a few minutes on a subject very close to the heart of the hon. Prime Minister. I know from past experience he would not want me to miss it entirely. This is the matter of federal-provincial arrangements or fiscal undertakings or tax agreements or whatever we like to call them. In this day it is difficult to know what

to call them. We knew what the definition was a few years ago but now we do not, things change so rapidly and in such a revolutionary manner. We have a new day.

It all depends upon one's interpretation of a new day. Some new days may be very black and others not quite so black. Now until I define what I mean by a new day, no hon. member should in any manner express his opinion, because he does not know exactly what I am going to say.

But I did want to say this in respect to the conference: it has been suggested that this was a new kind of conference. It was, I agree readily and at once with that. It was a new kind of a conference. During the days which preceded the federal election, Mr. Diefenbaker promised—I imagine with the concurrence of the hon. Prime Minister if not his insistence—that there would be a federal-provincial conference as I recall it in September.

Well, Mr. Diefenbaker got around to it a couple of months later, which is pretty good. He called the Premiers in from the 10 provinces of Canada, including Ontario. I can imagine the hon. Prime Minister of Ontario going down to Ottawa flanked by all his aides and advisors and consultants ready to put Ontario's case before this new-born federal-provincial conference.

When the Premiers got there, this new situation developed. The hon. Prime Minister of Canada, Mr. Diefenbaker, said in effect, to them: "Now, boys, I have wanted to see you for quite some time. In spite of the fact that we have called this conference, and in spite of the fact that in the long run if any remedy is to come to you fellows, we are the ones who are to pay the money, and we are the ones to dish it out. In spite of those rather basic facts, I must now say to you that we have not any programme to offer. We have not any proposal to make to you today at all. Now I do not want you to think you wasted your time coming here, I want each one of you to have an opportunity to tell me what you want."

Well, I can imagine the range of wants, from fairly low to very high, that came from the lips of every Premier in Canada, and so each one of them said what he wanted.

When that was all over, Mr. Diefenbaker said in effect: "Now, thank you very much, gentlemen, I am going to be so good as to suggest that you come back some other time." The time was indefinite, the date was unknown, but at some future time the Premiers are to be recalled, and to have another conference with the federal government.

The hon. Prime Minister of Ontario went, I am sure, to Ottawa insisting on his \$100 million. I cannot think, knowing him as I do, and remembering the utterances that have fallen from his lips on innumerable occasions, I cannot imagine him going there asking for less than \$100 million. Surely he would expect just as much from his friends as he would demand from his enemies, so I think it is fairly basic to assume that the hon. Prime Minister would ask for \$100 million, while he left the conference of course without anything.

Hon. Mr. Frost: Oh no, I did not.

Mr. Oliver: Oh yes, the hon. Prime Minister did. There was no intimation, public or by any other way, that he was to get a single cent out of the \$100 million that he asked for, and he did not know until the telegram arrived that he was going to get any part of the \$100 million.

Well, I am reasonably sure of that and I am reasonably sure of this, that if there had not been the advent of a federal election, and if there had not been a decision that there was going to be an election even though the announcement had not been made, the hon. Prime Minister would still have not received his \$22 million. That was a political payment if ever there was one, and I suggest to this House and to the hon. Prime Minister that so far as his finances are concerned, he can be happy indeed that they are to have a federal election, because he would not have received any part of his \$100 million if there had not been a federal election in the offing.

The very way in which the payment was made is intimation enough in itself. We get along toward the time when we have to close the books for the fiscal year. No money yet, no telegrams, no conversation by phone, no intimation at all and then as the days become fewer, and we draw nearer to that place where beyond it we cannot place it in our estimates for the coming year, and more important still, after a decision has been made that there is going to be an election and before the date is announced, he gets a telegram from Ottawa saying he will get \$22 million.

Now this must be the new day. This is the new diplomacy. This is the new way of negotiation as between the province and the federal government. Now, if one must choose which is the better of the two, then I will take the old arrangement.

I want to pick up what some hon. member said across here, that we are getting \$22 million now when we did not get anything before. Why, in the old agreement we got what was worth \$50 million, not \$22 million.

Interruption by some hon. member.

Mr. Oliver: Well, I think this government consists of pikers so far as being recipients are concerned, there is no doubt about that. I want to take this one step further. The hon. Prime Minister has his \$22 million or I hope he has. He got 22 cents on the dollar. Now that is pretty good, 22 cents on the dollar.

I think there are two or three things we might just examine about this \$22 million. I want the hon. Prime Minister to get all he can from that government in Ottawa. Yes I do, I am as fair as I can be in this regard. I want him to get all he can get from them, but I want to just analyze this \$22 million business for the moment.

I take it, Mr. Speaker, that this \$22 million is a one-year payment, it is the first instalment, as the hon. Prime Minister said. It is good only for one year. Is that not right? Yes, it is. This is an interim payment. This is on a year-to-year basis, there is no question about that, and not only is it on a year-to-year basis but I want the hon. Prime Minister or the hon. member for Riverdale (Mr. Macaulay) who was working so energetically up there—or whoever speaks next—I want him to tell the House, whether the stabilization clause applies to this \$22 million. This is actually not a part of the agreement, it may certainly be a graft to it but it is not actually a part of it, and because it is not, I suggest to the House that the stabilization clause will not apply, and if it does not apply then I suggest further that if we move into a period more with greater economic depths than we have—

Hon. Mr. Frost: May I point out to the hon. member that the statute upon which this was based and the authority for this payment was amended, and that it was unanimously adopted by the House? The hon. member's friends down in Ottawa voted for it, therefore it is the law of the land and will remain such until it is changed.

Mr. Oliver: Well, I read, as carefully as I think the hon. Prime Minister did, the debates that took place in relation to this matter in the federal House and I, in spite of what the hon. Prime Minister said, suggest to him that it is not a payment that goes on from year to year. Unless it is renewed, he will have to wait for a telegram next year. The way it stands now, it is a yearly payment and on a yearly basis only, and what I wanted to add further in respect to that matter was this, that our general revenues from corporation and income tax are not climbing as they used to, and there is not the buoyancy in the

economy that would give rise to a continuation of the upward trend that has been apparent for the past number of years.

It might well be, mind you I hope it is not, but it just might well be, that the revenues from these fields will not only stop climbing but will start to fall, and if they do, and it is possible that they will, then our \$22 million is not worth \$22 million. It is just as much less as the fall that takes place in these basic revenues.

Now, I do not want to say much more on that except to repeat what I said a moment ago, that this was certainly a new kind of a conference, and I hope that after the election is over we will get back to the old kind of conference, because I think it is better for this province and better for all concerned.

I want to deal for a few minutes with the problem of unemployment. I want to say at the outset that I am not going to suggest that it is more than a coincidence that there is a Tory government in power in Ontario and in Ottawa. I will leave that for others to argue who are in possession of the full facts, and are able to argue it better than I am. It may not be more than a coincidence. It is, of course, an actuality, we must admit that.

In Ontario as of January 9, 1958, and according to a return made in the House of Commons by the hon. Minister of Labour, the following number of people were registered as unemployed with the employment service; they were registered for unemployment insurance. I do not want to quibble over the term for I do not think it matters particularly, but on January 9, in Ontario, there were registered 241,926 people and on January 10, 1957, some 151,000.

Now, in the city of Toronto there were registered almost 56,000 people as against 38,000 in 1957, and I have on my desk here, somewhere, a clipping that suggests that in the last couple of weeks, those figures have gone well beyond the 60,000 figure. I heard just before I came up to the buildings, this afternoon, a commentator on the radio saying that in the last week the figure had risen some 1,100 in the city of Toronto.

So it is fair to assume, and I want to put this picture not graphically but as statistically and as fairly as I can—that so far as the city of Toronto is concerned, there are at the moment well over 60,000 people classified as unemployed.

Those 60,000 people, I suggest, are the greatest number that we have had as unemployed in Toronto since the 1930's, and because that is a fact, I suggest it should have a sobering influence on legislators as they look objectively at this great problem.

In Hamilton on January 9 there were 19,000 as against 9,000 a year earlier. In Windsor, according to these figures, 16,000 as against 8,000 and I would venture to say to the hon. member for Essex North (Mr. Reaume) that if the latest figures were known for the city of Windsor they would be crawling quite close to 20,000 in that medium sized city. Perhaps over.

North Bay has 3,000 as against 1,800; Pembroke, 2,500 as against 1,600.

I want to say something about this problem of unemployment. I have never been unemployed, and the hon. member for Renfrew South (Mr. Maloney) has been unemployed, I can tell by the way he makes those remarks.

Mr. Maloney: The hon. leader of the Opposition may be after April.

Mr. Oliver: I think I can say this to the hon. member in answer to that query, that whether or not I am unemployed after that particular date rests pretty well with myself and not with him.

Now I want to deal if I can with the problem of unemployment and I want to get back for a moment or so to a serious thought on this very important problem. It is clear, I think, that this unemployment situation we have at the moment is not and cannot be classed as seasonal unemployment. We have long since passed the place where we could mark it down as seasonal unemployment. The figures that I have read which pertain to the unemployment picture are such as to suggest that there is something quite wrong with the whole set-up in this country, and it is causing the unemployment situation.

Now, it may be that this will be temporary unemployment, it may be that it will clear up in a few months, but certainly at the moment it is of such magnitude that we must, in this Legislature, pay attention to it. No government, whether it is federal or provincial, has the right to stand idly by as the lines of unemployed grow longer in this province. Not only has it not the right but it has a solemn duty, in my judgment, to use the resources that lie within the command of this province to meet this problem head-on, and to give these men who are temporarily out of work some employment and let them again support their families in the way that they want to. There is nothing more deteriorating to a man, I am sure, than to want to work and be unable to find it.

Then, of course, the question comes up "how do we meet this problem as a Legislature and as a government?" Now, in 1954, and the hon. Prime Minister will recall, there

was a bit of a recession, and the hon. Prime Minister is on record as saying at that time that he was ready and willing to move into the picture with all the resources of the province in order to alleviate the condition that was present in those days. Now, I imagine that the shelf of public works that he talked about in 1954 is still on the shelf. I imagine that if the emergency is considered serious enough these public works could be taken down off the shelf.

I am here to say to the House this afternoon that the public works in themselves, unless the projects are considered carefully, may well not be the full answer to our obligations in respect to unemployed. There are those who say that, to meet the unemployment problem, we should lend money to the cities that are distress areas, and allow them to go ahead with slum clearance or with low-cost housing or with some project that would give the most man-hours per dollar spent.

I want to say that I doubt if any city is in the financial position or condition to meet this challenge unassisted. The provincial government has a duty and a responsibility to sit down with the municipalities that are affected the most in respect to unemployment and talk over with them what could be done for the unemployed, and out of it, erect a formula and a programme that could be carried out.

The first duty of this government is to converse with the municipalities, to sit down and talk with them and find out what could be done that would assist most. Up until now I do not think that has been done. It certainly should be done as a first step in meeting this obligation.

I do not think it is of any use saying to a municipality, for instance to the city of Windsor or of Toronto, "if you want to spend \$100 million or \$10 million, we will lend it to you." There is not much use in meeting the problem that particular way. There is no use in saddling onto these municipalities that are already suffering, because of the condition, a financial burden that they will be 20 or 30 years getting away from.

The province could well sit down with the municipalities and work out a financial agreement or an arrangement that would be satisfactory from everybody's point of view. I say again that the problem of unemployment is one that we cannot just fool around with, it is one that we have to meet head-on before long. We are really in the midst now of a very serious situation that cannot be allowed to deteriorate.

I want to speak for a few minutes about the subject of commissions, and right at the outset I want to say that the hon. Prime Minister yesterday — and I believe in giving credit where credit is deserved — was at his artful best when he presented that statement to the House before the orders of the day. I thought at the time this again may be a coincidence, but when one gets a whole group of coincidences that seem to point in one particular direction, one is entitled to get a little suspicious.

But in regard to this matter, the hon. Prime Minister made his statement the day before he knew that I was to speak in this House, and knew quite well that I would be discussing this particular question on commissions.

Well now, I do not have the disease that the hon. Prime Minister has, not to the same extent of wanting to get credit for all that is done. I am willing to give the credit for the move made by the hon. Prime Minister yesterday, if he is so anxious to have it around his shoulders. All that I am anxious for is that the job which needs doing should be done.

There has been some indication on the part of the hon. Prime Minister that he is going to move to meet this very real problem as I suggest it is. Now I am not one, and I hope I never have been, who said there should be no commissions or boards. I am not naive enough to believe that the government can be run economically and administratively without boards and commissions. But I am one who has been alarmed for a number of years about the great increase in these boards and commissions without what I think is the proper relationship to the Legislature of this province.

I believe that these boards and commissions should have a relationship to this Legislature as a child to his parents. There should not be a severing of all links between the Legislature and the boards and commissions which it creates.

There should be a liaison, there should be an understanding, and an appreciation on the part of all that the functions of these boards and commissions are vital. They are serving a public purpose, but that public purpose cannot be fully and adequately discharged unless these boards and commissions have a better relationship with the Legislature than they have at the present time.

Now, I had to agree with the hon. Prime Minister yesterday when he said there were all kinds of boards and commissions. Of course there are. There are different types, a great many of them, and one of the things this

commission or committee can do is determine which types can be pretty well divorced entirely from the Legislature and which should have a closer relationship than presently exists.

I believe in the hon. Prime Minister's statement yesterday; I appreciate what he has done so far in this regard, and knowing him as I do, I believe that he is seized with the importance of the subject matter and will move with dispatch to set up a committee in this province with full powers to go into these matters and make recommendations to this Legislature.

We are a growing province. The whole economy, the money that is coming in, the amount of money we handle each year, gets bigger and bigger as the days go on, and the necessity for transferring some of the responsibility to boards and commissions becomes all the greater as our revenues and our responsibilities increase.

I do want to say that nothing I suggest today is more important at the moment than seeing to it, now that we have embarked on this new method of government by commissions and by boards, that we do it properly, and that it have the responsibility that it should bear to the parent body, this Legislature of the province.

I have other notes here on this. I was prepared to argue this matter at length. The hon. members have been spared this long and complicated argument by the announcement of the hon. Prime Minister yesterday afternoon.

I want to deal with one question, Mr. Speaker, before I conclude. I said to the hon. Prime Minister that I was going to say something about the election. I am not going to argue at length. I am going to allow my hon. friend and his colleagues to set the pace in this respect so far as this Legislature is concerned.

It is interesting, I do not know how it could be anything else but interesting, that this Legislature coincides almost identically with a federal general election. I do not know that I recall in my time a similar situation. I have no doubts myself but that we can both run our own show. We have a job to do here.

Also, there is a job to be done outside, a quite sizeable job. The people outside will look after the job outside if we pretty well give our attention to the job inside.

The matter I have to discuss has a relationship to the election. One of the arguments in this election upon which there has already been a lot of discussion is the idea of the federal government to divert 15 per cent. of our trade from the United States to Great Britain. That, of course, is always open for

a good argument. It can be argued both ways and with some effect.

There are those who say that, rather than pursue that course, we should bend every effort to increase our total trade and out of that increase in total trade Great Britain should get the lion's share. There are those who say that an arbitrary goal of 15 per cent. cut in imports from the United States might very well upset the great people to the south of us insofar as trade arrangements are concerned.

As to which is the right course to pursue, the people will decide on March 31.

I want to make mention of this fact that bears very close relationship to what I have been saying: The government sent over a commission or a committee to England to put this germ or this idea into being. It was headed by the Minister of Trade and Commerce — and I trust this meets with the approval of the hon. Attorney-General, I would not want to do one thing that did not meet with his complete approval. The Minister of Trade and Commerce was, of course, the head of the committee. The vice-chairman of the committee, according to information that we have, was one James Duncan, Chairman of the Hydro Electric Power Commission of Ontario.

I want to say just as deliberately as I can to this House that that was no place for James Duncan, the head of the Ontario Hydro Electric Power Commission. I thought when he went over there in the first place that it was certainly no place for the chairman of the Hydro Electric Power Commission to go over to England on a political mission, and it is a political mission and nothing else.

One might have been persuaded to overlook that first inadvertence on the part of the chairman of the Hydro Electric Power Commission if it were not for subsequent events. On February 6, which I think was last Thursday, Mr. Duncan spoke to the Empire Club, and his speech was relayed by radio to the people of this province and the subject matter of his speech was the trade mission to Great Britain.

I want to say as strongly as I can that Mr. Duncan's position in this regard is completely indefensible. Here we are in the midst of a federal election campaign; here we are after the campaign has been started, and one of the main issues in this campaign will be whether we are in favour of diverting 15 per cent. of the United States imports to the United Kingdom. Battle lines will be drawn, in fact, they have already been drawn, between the two great parties in respect to this throbbing interest in a federal election campaign.

Now, into this scene, when the election campaign is on, steps the chairman of the Ontario Hydro Electric Power Commission and defends one side of the argument as against the other. I say to this House this afternoon that his position is untenable, he had no right whatever to go on the trade mission in the first place and, worst of all, he had no right to fire the opening gun for Diefenbaker in a federal election campaign.

He should not be the hatchet man for the federal Tory party, and that is the position he has put himself in. He has got into such a position in relation to this whole matter that I say without hesitation to the House that his resignation should be requested, and that he should no longer continue to be chairman of the Hydro Electric Power Commission of this province.

Mr. Speaker, I want to move, seconded by Mr. Nixon, that the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor now before the House be amended by adding thereto the following words:

BUT this House regrets the government has failed to:

1. Take any effective action to meet the rising unemployment in Ontario.
2. Correct the ever worsening condition of our agricultural industry.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, it is a very great pleasure to join in the kindly expressions extended by the hon. leader of the Opposition to yourself, your occupancy of the chair, and your treatment of the important affairs of this House.

I also am glad to join with him in the kindly expressions and sentiments he extended to our old friend, the hon. member for Peel (Mr. Kennedy), whom he treated very gently, but I would expect him to treat the hon. member for Peel gently because he is indeed a very formidable individual.

I would like to join in a fuller way in expressing my appreciation of the address of the seconder, a very able address by a new hon. member of this House, and I would say to him that he should not feel embarrassed at all by the remarks of the hon. leader of the Opposition. The hon. leader of the Opposition for years has been giving advice to the mover and seconder of the address.

I would say that perhaps after all of these years—and I say this to him as one of my favourite statesmen in this country—I say this to the hon. leader of the Opposition that perhaps it would be better if he listened with

a more open mind to what the mover and seconder say—not only on this occasion but on other occasions—about the affairs of this province. Perhaps it would be better than to adopt rather an ostrich-like attitude of burying his head in the sand.

I would like to refer to just a few things the hon. leader of the Opposition has said. The speech from the Throne is a very large and important document. Every sentence is packed with things of interest for the people of Ontario, and it is not possible for me to make mention of more than a very few things.

May I refer to the matter of Metro, and point out to the hon. leader of the Opposition again that the metropolitan committee was not appointed by this House, it was appointed by the government as an advisory committee. Now I point out that the problem of Metro is very simply stated. We have two very definite sides to that problem: the problem represented by the city of Toronto and the problem represented by the suburbs. One purpose of the committee was this, to appoint those who had the municipal experience and the experience in the problem representing those two sides, appoint them so that they might present to the government, or might survey for the government, the problem as it now exists after some 5 years of operation.

Mr. Speaker, it is indeed a very happy thing for myself to be the leader and head of a party in this province that is so broad as to make a political home and a place of opportunity for both sides of that question.

As a matter of fact, to get municipal people who are versed, skilled and experienced in the problem of Metropolitan Toronto outside of the party I lead is almost an impossibility, and I would say that it is natural that I should turn to these 4 gentlemen with the chairman of the municipal board, because I don't think there are people who are more experienced anywhere in greater Toronto than are those gentlemen.

I say to him it was not a matter of appointing a committee of the House, it was not a matter of appointing a committee that was representative of the parties in this House, it was a question of appointing people who were representative of the two points of view, I would say at one time conflicting interests, which now have become to a very great extent partnership interests.

In dealing with the farm problem, I would do so very briefly and make certain references. The hon. leader of the Opposition has used the expression "hewers of wood and drawers of water." May I say to him that no govern-

ment or no party has done more to remove the farmers of this province, indeed the farmers of Canada, from that task than has the party that is represented by this government over here.

Now, there are one or two things, of course, in passing that I might mention. Some hon. members will recollect that years ago a very colourful member of this House by the name of Dempsey sponsored what became known as the "Dempsey bill," having to do with white pine growing in certain parts of the province. Now we have the adoption of what we might term the "Maloney formula," that is, that the one-third of a mile be extended to two-thirds of a mile benefiting the farmers of this province in a very big way.

There was a headline in my old friend, the *Toronto Daily Star*, the other day about another of the Maloney family coming into this House, and may I say to you, Mr. Speaker, that I would not want to trade our Jim for their Arthur at all.

Mr. Speaker, might I just mention the tremendous advance made in this past year in farm marketing. That is a very great subject indeed, which time would not permit me to develop—other than to refer to the situation which has been facing the tobacco growers in this province.

In that, I now come before the House with a very considerable experience for this reason, that for a week or so I sat daily and almost hourly with representatives of the planning board, of the growers, of independents and of certain of the objecting groups. I had the opportunity of visiting one of the fine plants of this province down in Aylmer, and also visiting one of the marketing places that have been constructed by the marketing board, the warehouse. There I had the opportunity of talking to farmers, who were there selling a portion of their tobacco crops by the auction system.

And I would say that I came to the conclusion that the people there were overwhelmingly in favour of the bale auction system and they wanted it, and I spoke to people who had sold a portion of their crops and they all assured me of their enthusiasm for that system.

The matter of working out marketing plans is a very great problem. One of the things, I think, that has made possible the operation to date of the bale auction system in tobacco growing in Ontario, is the fact that it was supported by an overwhelming proportion of the growers.

Now I say to my hon. friends opposite, who have on various occasions intervened in that

matter, that I do not think any of them have ever been faced with the crisis that I personally have been faced with in that particular matter. I would say that I have listened with interest, with very great interest indeed, to the representations which have been made in that regard.

When the chips are down, the thing that really counts is the overwhelming strength of public opinion that if it had not been for that, this plan would have been demolished, I can assure hon. members, because it faced very, very rough seas, and is facing difficulties at the present time.

All of the opinions as regards the overwhelming requirements of the growers is not on one side. I was very much interested in listening to the deputation from the farmers' union, which came out very strongly asking that the majority needed to carry a vote should be at least 66 $\frac{2}{3}$ per cent. Mr. Speaker, that is a different point of view, and I would say to the hon. members that in the light of the tremendous problem, and the tremendous upsurges of opinion there has been in the tobacco matter, that overwhelming opinion is an absolute necessity if we are going to carry these things through successfully.

I would say this, that in my dealing with that problem as a layman, and after all I made no profession about knowing the difficulties and the problems of that very complicated type of farming, I learned a very great deal about it in the 10 days or so that I was deeply engaged in it.

But I would say that co-operation has contributed more than anything to what I think is the solution of the problem. It is bringing about an understanding first of all that the bale auction system is wanted and is going to prevail. Perhaps there may be amendments in the form of the system, there may be things that will come about by experience, but experience will show that the people want the bale auction system and after all it is eminently fair and just.

I would say first of all there is this, the acceptance of the proposition, that this is the type of sale the producers want. The second thing is, a recognition of this very simple fact, that the producers of course desire to sell, and the processors and manufacturers of course desire to buy. And there is, therefore, the requirement of co-operation and understanding.

I would say that in those very simple words of co-operation and understanding, and the acceptance and understanding of the point of view of the two parties, therein lies and has been the key to the situation.

When I came into this picture as of December 31, some 2,600 pounds of a crop totalling nearly 150 million pounds had been sold. The sales were varying between 500,000 pounds up to perhaps 850,000 pounds a day, with the exceptional case in the 3 days ending January 13, going up to 1 million pounds.

With the meetings that were held, getting these people together, and I want to pay tribute to all of them—the marketing board and the growers—the growers who came in here and made the situation with the marketing board.

On January 20, a new system was introduced. The objective was this, to bring the sales from 500,000 or 600,000 or 800,000 pounds a day to something between 2 million and 2.5 million pounds a day.

On February 7, that objective was achieved and there was sold in the bale auction markets of this province in that area, no less than 2.3 million pounds. I am glad to be able to state that to this House as a constructive fact.

On the first day of the new system the sales jumped to an unprecedented level of 1.465 million pounds and gradually it rose until on February 3, the 2 million mark was passed by quite a handsome margin, and on February 7 it went up to 2.3 million pounds.

I would say that the deadline date for the sale of this crop would, I think the hon. Minister of Agriculture will concur, be about April 30. An average of 1.9 million pounds daily would be required to move the crop in that time. We have reached now, as I say, sales amounting to 2.3 million pounds in one day, which indeed is very heartening.

I would also like to say that the tobacco companies have been giving the fullest co-operation. The Imperial Tobacco Company has opened its Leamington plant, which has been closed for several years, and in addition to that the main plants at Delhi and Aylmer are working full-time, and as a matter of fact, over-time. So I would say that we have been faced there with one of the most difficult problems that has been faced in farm legislation in this province. I think that it is being surmounted by the common sense of the producers and processors and I think that will be the case as things move along.

I might mention to the hon. leader of the Opposition his reference to Hydro and to the great work, the great patriotic work, of the chairman, Mr. James Duncan, and his services overseas in the betterment of trade conditions between ourselves and the United Kingdom. I agree entirely with what Mr. Duncan has done. Mr. Duncan is not a poli-

tician, he was for a long time in the service of the government at Ottawa which relinquished office last June. He is a patriotic citizen who has long been interested in the furtherance of trade with the United Kingdom.

Hydro is, of course, interested in business. Hydro is part of the life blood of this province, and I point out that this fact was not recognized by the hon. leader of the Opposition, party or his government when in office. As a matter of fact, if their policies had been followed, Hydro would have been destroyed.

We have a new vision, a new look, we have a new deal at Hydro, and have a chairman there who is looking to the expansion and the development of this province from an industrial and a power viewpoint, and from the standpoint of the farmers.

This man accepts, for instance, the Maloney policy of two-thirds of a mile to a farmer. I would point out that this man is interested in trade, and in providing a place where our farmers may sell their goods to the overseas countries.

It is all very well to talk about unemployment and trade conditions, but I say to the hon. leader of the Opposition I had no intention at all of embarking into federal politics; he knows I would not do such a thing unless I was aggravated or invited into it, but I ask the hon. leader of the Opposition who it was that created this situation, who, for over 20 years slapped our best friends in the face and took the trade away from them and put all the eggs in one basket? I would say it was his party that did that. Perhaps that is one of the reasons for the decision, the great decision of last June, that very fact.

There are a lot of academic arguments as to whether it is a good thing to say we will transfer 15, 10, or 25 per cent. of trade from one country to another. I say that is purely academic. I think that the position of our country and our government and our farmers and individuals is this, to give the people of the United Kingdom a fair deal and a fair share of our trade. I think that is the problem, and I would say that Mr. Duncan, in his endeavours, is representing the non-partisan views of the people of this province.

I did not have the opportunity of listening to his address before the Empire Club, as a matter of fact, I doubt if I knew it was going to take place or I might have listened in on it. But I would say to the hon. leader of the Opposition that, from what I read in the paper, I think it was a sane, sensible approach and that our people will regard it as such.

When we look at the tremendous adverse balance of trade with our good American friends, I think it is time that we took steps to correct that situation and take steps to do business with other countries in the world.

I say that as one who perhaps in many regards has very pro-American feelings, and I say that anything that can be done to better the situation at the present time, which was altogether created by the government and the party my hon. friend represents, I think anything that is done to correct it would be in the interests of our country.

Mr. Speaker, I come now to a few remarks I should like to make in relation to the speech from the Throne. I would say that the speech from the Throne is not like those of other years. If the hon. leader of the Opposition would get down and read it he would say that it is a speech designed to meet requirements of 1958 and the challenges of these times, including a broad legislative programme, a plan for the betterment of our people.

There are things, to which I would like to refer the hon. leader of the Opposition, that are part and parcel of that statement. There is the investment in development, for instance, the investment in the future of our province, in the building of highways, the extension of Hydro, the extension of our power resources and public buildings. That is a complete reversal of his line of thought.

Let hon. members remember this, that the hon. leader of the Opposition talks about unemployment in Ontario today and wrings his hands over that situation. Some hon. members felt very keenly about that matter and spoke about it a year ago when he scoffed at the idea of speaking about it. He talks about unemployment today. I would say that it was written on the wall a year ago that it was going to happen. Yes, we are faced, of course, with what I might term, and I say this advisedly, "the Grit depression." This was caused by the attitude and the actions of the people whom the hon. leader of the Opposition followed in national affairs.

What did they do? In the face of the advice of economists that there was a levelling off, in the face of that advice, and I do not think that it can be denied, as a matter of fact it seems to me that was very amply proved in Ottawa that the prediction there was going to be difficulty was there to be read by those who would take time to read it.

Interruption by an hon. member.

Mr. Frost: It is a good thing perhaps to take a look at secret documents. Apparently

the documents were so secret that the hon. member's people paid no attention to them, with the result that they "monkeyed" with the money market, they "monkeyed" with interest rates. Were not those things discussed in this Legislature just a year ago — and disregarded?

Who cut down housing in this province and throughout Canada? Who was it did things to throw people out of work in the face of the advice of economists who were there to advise them?

When I say this is a "Grit depression," I say it was developed and was increased by the actions of the late government at Ottawa. As I say, tremendous programmes are before this Legislature, and are outlined in the speech of His Honour.

Let me turn to the matter of education. The hon. leader of the Opposition talks about the new grants to education which have been referred to and which will be dealt with more fully by the government and the hon. members of this House at a little later date. The amounts that are put into education to assist in this great problem are 5 times as much in a year as his party, when in government, paid altogether. The increases themselves are 5 times as much as they paid altogether.

Our plan for education assists from the elementary schools to the universities, and is designed to keep our province in the leadership which it presently enjoys and which is a leadership in America. I ask the hon. members opposite to show me any jurisdiction in America that can match or begin to match what is being done here in the great province of Ontario. In it is practical assistance for our municipalities.

There are some things to which I should like to refer in just a moment, but at this time I would call to my side as a witness what the Ontario mayors and reeves say about this situation.

I would say to the hon. member for Waterloo North (Mr. Wintermeyer) who probably has read this, that this is a matter of importance. It is unnecessary for me to stand here and argue as to the work of this government in connection with the municipalities. I think the municipalities are in the witness box themselves, and here is their brief. It is very satisfying to the association to realize that these efforts to obtain a better deal have been fruitful.

Why? Because the association has advanced sound proposals for the reform of the municipal position and the government of the province of Ontario has recognized the

necessity of adjusting the circumstances of the municipalities.

Now that is not all. There are many things here that I could refer to. Let me take these paragraphs. Here indeed is a great example of the co-operation and understanding of two levels of government successfully working out, on a democratic basis, the adjustment of problems originally. I ask, Mr. Speaker, to take that word "originally" of gigantic proportions but which now have been reduced to mutual understanding. I ask the hon. leader of the Opposition if that is not reform? And if that is not reform from the level of government that is benefiting because of its association with this government?

So there is no reason why the Association of Ontario Mayors and Reeves, representing the municipalities of Ontario, should not gratefully acknowledge the various high benefits which have accrued to the municipalities by reason of such co-operation and understanding.

These matters have been referred to as beneficial steps taken by this government: the enactment of The Highway Improvement Act of 1947 which provides subsidies from the province for the municipal roadways, construction and maintenance; the enactment of The Ontario Municipal Improvement Corporation Act, which provides for assistance to municipalities in financing certain municipal works; the enactment of The Municipal Tax Assistance Act, which provides again certain benefits; the enactment of The Unconditional Grants Act, the increased contributions to education, and the recent action of the provincial government in respect to assistance to unemployed persons.

It, of course, makes me blush and I would prefer to hand this over to the hon. leader of the Opposition to read this portion.

Interruption by an hon. member.

Hon. Mr. Frost: Looking at what we have done, one would wonder what there is left to do. But we are still going ahead. The association, therefore, pays high tribute to:

the Prime Minister of the government of Ontario for his consideration of municipal problems and for the beneficial results which have accrued to the municipalities of this province, a recognition deserving of the highest commendation and which gives ample demonstration of the pursuit of British democratic processes to solve inter-governmental relations between the provincial and municipal levels of government in the best interests of the citizens of this great province.

Mr. Speaker, I will spare the reading to the hon. members of the Opposition of a similar letter not couched in quite so glowing terms, but nonetheless a very congratulatory letter from the Ontario Municipal Association relative to the same thing.

I would say to the hon. leader of the Opposition that, in reading this great document, he will see that there is nothing ordinary about it, it is extraordinary.

May I point out the great problem, or the great matter, of hospital insurance which I can assure him will come into being in this province on January 1 next, and will be an example to other jurisdictions in Canada and America as a pattern of efficiency and benefit to the people of this province.

I have been engaged in this since 1955. In 1955 I went to Ottawa and placed this matter for this government on the programme or the agenda at that time, and the hon. members of the Opposition laughed about it. They said that it would not be, but I say that it will be and it is going to be. It is going to be of very great benefit to the people of this province.

May I also speak of another matter that is inherent in this great document and that is, a renewal of the spirit of confederation and perhaps I can refer back to the spirit that the mayors and reeves talked about existing between the municipalities and the government of this province. May I say that this spirit of confederation has been renewed again in this year 1958 and in the last six months of the preceding year of 1957.

In referring to that, of course, I refer to the very far-reaching conference which was commenced on November 25 last. I listened to my hon. friend today and thought he was very mild indeed in his castigation of myself, in his references to me, because I had listened to him once before on television and at that time he was very much more positive as to the failure of this conference.

I sat there and listened with very great interest to the force and the vigour and the personality that he put into that appeal to the people to show that this government and the government at Ottawa had fallen down and had failed in this conference.

I want to say to my hon. friend that I have now attended, I think, 4 federal-provincial conferences starting in 1945, all of them lasted upwards of 2 years, some of them longer than that. As a matter of fact, the matter of federal-provincial conferences is very involved because we are dealing there with 11 governments, we are dealing with problems on the Atlantic coast that do not exist on the Pacific

coast, and are dealing with the difficulties of the prairies. Also, we are dealing with the aspirations of the various groups of our country and it is a matter of patience and care.

May I say that this patience and care, however, by the other government was carried to the extent that little was done. They used the patience and care required to do nothing to push the provinces off, to create the atmosphere that existed in this House just a year ago, an atmosphere of bitter recrimination, an attitude of unrealistic dealing and an unjust attitude, throughout this country a feeling of dissatisfaction, a sense of deep injustice in the maritime provinces.

I would say this, the old province of Ontario has taken the view of supporting the position of the maritime provinces and I think in 1958, we should, and we are entitled, to correct the injustices which arose at the time of the great pact of confederation in 1867.

This new spirit that I refer to would have been unbelievable in this House just a year ago. This new spirit brought about the converse of the situation that we were faced with in this House, just a year ago; it is now supported by the Liberals, the people who for 22 years stood there and blocked the efforts of our people of the provinces to bring justice to themselves and to their municipalities.

Indeed it is a curious attitude, it is a curious reversal which has taken place. I was quite interested in my old friend the *Toronto Daily Star* today. I always read the *Star* with great interest and care, and I see on the editorial page an editorial: A PEARSON POLICY WITH A LIBERAL CONSCIENCE. I never knew they had a conscience, they never acted that way before.

If they have a conscience, that has come about since the reversal, since the change, since the disaster to them and the benefit to Canada that took place last June. May I say to the hon. leader of the Opposition and I am not perhaps referring to him from the standpoint of his very mild address this afternoon, or his reference to the federal-provincial conference this afternoon, but rather from the stern appearance that he made on television—I think it was in the month of December.

My hon. friend appeared on two or three occasions as it was a re-broadcast, and I took the opportunity of listening very carefully to that broadcast wherever I could get it.

Interruption by some hon. members.

Mr. Frost: I did it because I was unable to believe my ears that my hon. friend would take the attitude that he was taking. I wanted to make sure of my ground.

Now, there is a curious thing about my hon. friend. I listened to his address with such interest this afternoon. He started off immediately with a great blast against the government in connection with farm policy, that is my recollection. Then he made another great blast in connection with the handling of federal-provincial affairs and it is interesting at this time, just a year ago, that he had something to say on that subject also.

At that time, hon. members will recollect, an election was talked about, and at that time he said: "It seems to me that we might, in this House, well debate provincial issues and leave those that are purely federal in character for the attention of the federal people and for the people at large when the case arises, and it will probably arise in the months ahead."

There has been a reversal in the attitude of my hon. friends who felt that our discussions of things that were basic to Ontario were something that we should not discuss, that we should leave strictly to this great organization at Ottawa which was going to see us safely through our trials and tribulations. I recall that he said: "We have this sort of an epidemic every time a federal election is in the offing, and when the election is over the epidemic subsides."

What a great change there has been in the grand old Liberal party in these days! What a very great change indeed! My hon. friend went on to make certain election prophesies which I would not want to bother him with at this time. Yes, I think I will spare my hon. friend that, but in relation to the new spirit, the new attitude, that I came before you with this afternoon, may I say this, supported by the very people at Ottawa who said these things could not be done. Why, yes, they said that we—I should not say we, for after all I am only a provincial politician—but they say there is going to be a deficit there of some \$600 million and now they want to make it \$1 billion, we see by the latest figures.

We have these things that we come before my hon. friend with today, arising out of a conference which took place only a little over two months ago. On November 25, 1957, the conference was organized. May I say to my hon. friend that we have abolished the iniquitous threshold provision of the .45 per cent. of the population of the province. I would say to the federal government that there was never a more iniquitous position, a greater injustice to the people of this province perpetrated in all time, than that one—and done by the hon. Mr. Martin, who

argued, of course, that this was one of the necessities.

I have discussed this with the hon. Minister of Public Welfare (Mr. Cecile) and I know this, that it was impossible to make that formula work here in the province of Ontario. There was no way of distributing the money.

How were we going to work things out, and how were we going to distribute money on the basis of .45 per cent. portal provision which just continued invidious distinction between a person who is unemployable because of health and the person in good health who could not get a job?

Now that was the type of legislation that these people were sponsoring. But today we are able to come before this House not only with the fact that this has been done away with, but that we have reduced the municipal contribution from 40 per cent. down to 20 per cent.

Interruption by an hon. member.

Hon. Mr. Frost: If this should be further modified, it will be done by this party and not by the broad-tailed Liberal party that has been responsible for many of the difficulties of this country.

As for hospital insurance, it is an assured fact in this province, and I can tell the hon. leader of the Opposition that it was not an assured fact until that unworkable provision about 6 provinces was removed. May I say that we argued about that from about 1955 until 1957 and the hon. Mr. St. Laurent, hon. Mr. Martin, hon. Mr. Pickersgill and hon. Mr. Pearson when he was engaged in keeping the Jewish people from taking the Suez Canal—

Mr. Oliver: Careful now.

Hon. Mr. Frost: Well, now my sympathies were with the Israelis on that occasion.

However, may I say this to my hon. friend that they told me that this provision could not be removed and yet it never had been applied in any welfare provision of Canada before.

Interruption by an hon. member.

Hon. Mr. Frost: Why was it there? I say to the hon. member for York South (Mr. MacDonald) that it was there for this reason, that they figured that the time from 1919 to the present time was not long enough, and that was another way of extending the great period of time between their promise and its performance.

That was removed, and these very people who said that it could not be removed, and

that it should not be removed, got up and voted for it. Mr. Martin and all the rest followed along and they voted for the things that just 365 days ago, they said could not be done.

Mr. Oliver: What great good did flow from the removal of that provision? I understand that there were at least 6 provinces that had expressed a willingness to negotiate an agreement. Now if there were 6, what necessity was there for repealing it?

Hon. Mr. Frost: Let me point out to my hon. friend that it is so very opposite. The province of Ontario is engaging in a plan that is going to involve something of the order of \$200 million a year. We have to start our payroll deduction, and our arrangements for the carrying out of this plan commencing probably in the month of August. Now I ask my hon. friend what he would do if he had 3, 4 or 5 provinces that agreed, and the 6th province was holding back and they would not sign?

Mr. Oliver: But that was not the case.

Hon. Mr. Frost: Well, I would say that it was very possibly the case, and I would say that it was one of the things which could have made the coming into effect of hospital insurance on January 1, 1959, an impossibility. It was a sumptuous provision that had never any sense, any justice or any reason, and was placed there for the purpose of delaying the implementation of this plan. Now that was the only purpose of it.

If it was valid, why did they vote against it in Ottawa? They did not vote against it for the reason that they knew that finally events had caught up with them and that it was no longer valid to raise that point of view.

I may say that hospital grants have doubled. We wanted that for a long time. That point was raised at the conference. It is food from the conference, the doubling of hospital grants. Could anyone argue against that as a matter for the great benefit of our country generally?

May I say to my hon. friend this, that again I have placed before this House, and before the people of this province, a very valid argument for a decent deal in connection with the tax resources which are common to both the provinces and the federal government. I have asked for the 15, 15, and 50 formula. I would say that I have not retreated from that position. I stated exactly that down at the conference on November 25 last, and that is the policy we follow. We come before this House today, not with what my hon. friend

has referred to as an election bribe—we come here with evidence of the acknowledgment of the need of a just, decent and fair tax division between the federal government and the provinces, and we come with the first payment on the table.

May I ask my hon. friend if he ever recollects a conference in all his experience in this House, going back to 1926, to have so many things for the people, so many benefits, so many corrections of injustices as we do at this time?

I ask my hon. friend if, had he the time to reflect in a calm sort of way, whether he would have made that speech over television last December, in which he criticized this government for coming home empty-handed?

May I say to you that this is February 11—that event took place on November 25 last. Let my hon. friend benefit from this. We have accomplished so much in 3 months, just wait until we have the opportunity of continuing the conference after March 31 and see what will happen.

Mr. Oliver: The hon. Prime Minister does not get these benefits from the conference, he gets them after the conclusion of the conference, by telegram.

Hon. Mr. Frost: A matter of high importance to this country is the implementing and the providing of the funds to pay \$55 old-age pensions. I ask my hon. friend where that came from? I ask him if he recollects the old-age pension, or the increase of \$6 last year, the \$6 pension which was brought in just about a year ago now, and which was counted by the electors anyway as a disgrace to the Canadian people? Here we are today, in a different atmosphere, bringing in legislation and the provisions to implement that pension.

Now I say to my hon. friend that these are very, very great advances indeed. These are very great things. I have just enumerated 5: the portal matter, the majority of the provinces, the matter of hospital grants, the recognition of our fiscal position, and old-age pensions, that is just 5. I may say that his party at Ottawa got up after opposing them for years and years and voted for every one of them.

Now I would say that we, of course, look forward to the new day with assurance. We think we have reached a time when there is to be a new deal for the people of this province and for the people of this country, because our province is not a selfish province

at all, it is a province interested in the development of our great country.

There are very many other things to which I should like to refer, but the hour of 6 o'clock approaches and, therefore, I will postpone anything further I have to say to another time.

There is, however, just this, from a positive standpoint. I think that it carries with it the spirit of the party I represent and the government I head in this province, and that is this:

We, of course, are faced with a levelling off and a situation I have referred to that certainly was aggravated by the actions of the previous government at Ottawa. But if we reverted perhaps to the attitude of other times we would have the attitude of pulling in our belts, cutting down on public works, cutting down on employment, balancing budgets and that sort of thing.

I am a great person, of course, for a balanced budget. I would say that in all the period of time that I was the Provincial Treasurer of Ontario I always balanced the budget on ordinary account, which I do not think was ever equalled in the history of this province. I might also say that I have not yet had time to get down to the problem of this budget, but I hope we will be able to balance it again.

Therefore, I am not decrying the desirability of a balanced budget, but I would say this, that one of the things surely that we learned in the 1930's was this, that the attitude on the part of governments and business of belt-tightening in times of recession is an attitude that can do very great harm. As a matter of fact, that is a "sputnik" that can really do harm if that attitude is followed out.

If we refer to it, there are some good things in the green papers of 1945. The matter of cyclical budgeting, and I think myself that the time of falling business tempo is the time to do things to level things off, and that is the position we take here, and that is one of the reasons for the Throne speech of today, which I think draws a bold plan for progress in the future.

I think at times like this we have always got an overdose of the negative attitude, of negative theories. What is needed in this country at all times is an attitude of positive confidence in the future of this country.

When we look at Canada and its opportunities—half a continent with such a small population, only 17 million people, not enough people to do the job—it has boundless opportunities. It seems to me that we should abolish from our minds the negative attitude and we should take the position in part that business

depressions as well as depression and down-at-the-heel attitude of the individual is a state of mind. There is so much to be done that is bound to produce work, wages and development in this great country of ours.

I was very much interested in a report of the Prudential Insurance Company just recently issued with its 1958 forecast. It says this, that capital expenditures in Canada this year will probably increase by \$200 million, that inventories will improve by about \$300 million, that there will be a housing advance of more than \$100 million, and I think it is very obvious it is going to increase by more than that; that consumer purchases in this country will be up by \$1 billion, a thousand million dollars, and that the gross national product of this country very probably will be about \$1.5 billion greater than in 1957.

I mention those things as substantial facts and a substantial basis upon which to base confidence for the future, and I would say if it were not for that, if those things did not exist, still I would say: "Let us advance and go ahead with the opportunity we have in this country of ours to provide a better way of life and work and wages for our people, to avail ourselves of the opportunities that we have."

It has been a pleasure to be associated with the party that I am delighted to call the people's party. I took that attitude when I assumed the leadership, now nearly 9 years ago, and I think that the attitude we have taken has been endorsed by the people of this province.

I should refer the hon. leader of the Opposition to, I think, some 5 by-elections since this House was elected, some of them faced under quite difficult circumstances.

That was the case, for instance, in Elgin where we were facing the great difficulties that arose out of the farm marketing plan.

It has been a great pleasure to advance the cause of what I have termed the people's party, the party of progress and development. I might say it is the party of twentieth-century Canadianism. That phrase was given to me by one who was not formerly a friend of this party but is a man of discerning mind and sees the trends of things in Canada today.

Interruptions by hon. members.

Hon. Mr. Frost: I would say we are very glad to have Liberals and others join us. I think that is a great privilege.

Interjection by an hon. member.

Hon. Mr. Frost: As a matter of fact, we have a lot of the CCF party join us. I noticed down in Elgin with a bigger vote that

they got only half as many votes as before so the adherents must have come over to our party, the people's party.

Mr. Speaker, I trust that the House will reject the attitude and position taken by the hon. leader of the Opposition and will sustain and support the government when the test comes.

Mr. D. C. MacDonald (York South): Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House, we will proceed tomorrow with the Throne debate and for the balance of the week.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.00 of the clock p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Wednesday, February 12, 1958

Speaker: The Honourable A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, FEBRUARY 12, 1958.

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Clerk of the House: Mr. H. F. Fishleigh from the standing committee on education presented the committee's first report and moves its adoption.

Your committee begs to report the following bills without amendment:

Bill No. 47, An Act to amend The Ontario School Trustees' Council Act, 1953.

Bill No. 48, An Act to amend The Department of Education Act, 1954.

Motion agreed to.

Motions.

Introduction of bills.

THE TOWN SITES ACT

Hon. C. E. Mapledoram moves first reading of bill intituled, "An Act to repeal The Town Sites Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill is removing it from The Town Sites Act and putting it into The Public Lands Act.

THE PUBLIC LANDS ACT

Hon. Mr. Mapledoram moves first reading of bill intituled, "An Act to amend The Public Lands Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, regarding The Public Lands Amendment Act, 1958, section 1, the present sections 9 and 10, which deal with public land agents, are obsolete as there are no longer such agents. The sections are therefore repealed.

Section 2: The purpose of the proposed section 12A is to enable the surveyor-general to require a survey to be made at the expense of the purchaser before public lands are sold. Heretofore these requirements have been contained in the regulations made under the Act.

Section 3: The purpose of the proposed section 14A is to enable the Minister to zone public lands for recreation use in line with modern planning and administrative practices.

Section 4: The proposed subsection 1A enables a Minister, in disposing of public land, to call for tenders. This authorizes him to dispose of land in which there is a marked interest to the best advantage of the Crown.

Section 5: Under the present section 29, employees of the department are prohibited from purchasing public lands. Under the section as re-enacted these employees may purchase public lands with the approval of the Honourable the Lieutenant-Governor-in-Council.

Section 30 of the Act which deals with public land agents is obsolete as there are no longer any such officers. The section is therefore repealed.

Section 6: Subsection 2 of the present section 57A which provides for the release to a land owner of pine trees reserved to the Crown is broadened in the interest of good forest management. In cases where the owner ships the trees divided, that is, where some species are owned by the land owner and others by the Crown, the new provision will enable all species to be acquired either by the land owner or by the Crown, thus bringing to an end problems that arise from divided ownership.

Section 7: Subsection 1 of the present section 61A, which provides for the release of a reservation for roads contained in letter patents upon application of the owner of the land, is broadened to include the reservations relating to the roads contained in section 61 of the Act.

Section 8: The proposed section 65 replaces The Town Sites Act which has now been repealed.

The principles of the Town Sites Act are retained by the procedures; they are clarified and simplified.

Section 9: The purpose of this section is to remove the cloud on titles which exist in cases where The Town Sites Act has not been complied with.

Section 10: This section makes void an obsolete reservation to the Crown.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1. Report of the commissioner of agricultural loans for the fiscal year ended March 31, 1957.

2. Financial statement of the settlers' loan commissioner for the fiscal year ended March 31, 1957.

Mr. Speaker: Orders of the day.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, before the orders of the day I would like to draw a matter to your attention, and that of the hon. Prime Minister (Mr. Frost) as well, having to do with the tape recording of speeches in the Legislature.

My speeches, I know, are a mess, but the way they come out of that machine they are even a much greater mess than I anticipated for this reason. Apparently the order has gone out, and I think you made reference to it, Mr. Speaker, in the early part of the session, that interjections are not to be recorded.

Well now, Mr. Speaker, you can imagine the mess that you have in a situation such as developed here yesterday, where there were quite a number of interjections and I undertook to reply at some length to almost every interjection.

In the script as we get it from the office upstairs, every interjection is marked with a question mark and that is all. There are no words at all insofar as the interjection is concerned, and then the hon. member who attempts to answer what has been interjected is made to look very foolish, I would say, and I think the hon. Prime Minister will agree with me.

The speaker starts off on a line answering an interjection that is not recorded. I do not know how we are going to correct this situation, Mr. Speaker, but certainly something will have to be done.

Mr. Speaker: May I answer the hon. leader of the Opposition. You only receive a rough draft. It is rough but actually they were your own words. The speaker will be the name of the hon. member and, whatever was asked, will be put in. We were just asking you to correct what you had said, and that will come back to you in perfect order.

May I also say this, that the man who operates the machine took suddenly ill, and we have had to put up with a new man in the midst of the affair. I am quite sure, however, that we shall arrange with the hon. leader of the Opposition an amicable way to fix this to his satisfaction.

Mr. Oliver: May I ask one further question following what you have said? It would seem to me that if the words of the interjection, and the names of those who promoted the interjection are going to be there in its final form, what is the reason that they are not there now? If the speaker does not remember just what the interjection was, it makes it extremely difficult for him to edit what he said in reply to the interjection, and it seems to me that it is not quite adequate to have you edit one's own words now, in answer to an interjection that he will find later on sometime. I think we should try to straighten it out somehow if we can at the moment.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I must say that I think that the objection from a point taken by my hon. friend is very valid. You can well understand that this point might arise, that some hon. member asks a question. He may not perhaps observe the rules of the House and may not rise in his place.

Now this House is composed of human beings and that happens, yet the question is there, and the hon. member makes some reply to it, and it is perfectly plain that if that question is not there, even though it was not properly asked, it leaves the hon. member's remarks or the speaker's remarks completely in the air.

I would say this, that I am very favourable toward the use of mechanical devices, but I would not want it to destroy the spirit of the House. I think that is a great mistake if we destroy the spirit of the House for the purposes of moulding ourselves into the requirements of some mechanical device.

I have wondered, this last year, whether it might not be possible to record what the hon. members say, but nevertheless have the reporters here who would follow the debate and take down the interjections and the names of the hon. members, so that they might be inserted in the record.

Those are only suggestions, Mr. Speaker. I doubt if any mechanical device is going to meet the requirements of what my hon. friend said because there are very many occasions where perhaps the hon. member may be speaking, and perhaps there may be an interjection by some other hon. member from one side or the other, and the microphone is

not on and therefore the interjection is not recorded, and that is just a blank space in the debate. I think that we ought to look at that.

I feel that an efficient procedure could very greatly reduce the secretarial staff; it would seem to me that there would be no reason why perhaps one or two reporters might not take down the entire afternoon proceedings. You, Mr. Speaker, are expected as the Speaker to sit here all afternoon, perhaps longer than that. The hon. members of the House are expected by the people to be present as constantly as they possibly can.

Actually speaking, if we have one reporter sitting here from 3 to 6 o'clock to get the interjections on both sides, and who can follow out the proceedings of the House sufficiently so that the matters of the stenographic record could be corrected, then we would still get the advantage of the recording and save a great deal of the expense accrued from having a large number of stenographic reporters that have to take everything down verbatim.

I think a combination is what is going to be required, because I can quite see, in a situation such as yesterday, that it is beyond the capabilities of the operators of a system such as this to get the spirit of the House and get what is said and the interjections.

Mr. Speaker: We are still in the trial-and-error period, and we are quite ready to accept the suggestions from the hon. members of the House, and I am quite sure that the whole matter can be ironed out and we shall see that it is done immediately.

SPEECH FROM THE THRONE

Mr. D. C. MacDonald (York South): Mr. Speaker, it is traditional, in participating in the Throne debate, to extend congratulations to a certain number of people and I want to say at the outset that I do so this year with even more than the normal enthusiasm.

First, to you, Mr. Speaker, for the impartial way that you have conducted the proceedings in this House, and the dignity with which you have conducted them. A number of hon. members have already said that you have maintained the high standards that some of your predecessors have set in the history of this Legislature.

I am not really in a position to comment on that, but my guess would be that you

have not only maintained them but enhanced them.

And now, despite the discussion which we have just had, I am still going to add another comment, and that is commendation for your examination of the procedures of this House, the traditional procedures of this House, and the willingness to experiment with ways and means of improving them.

It is sometimes said that tradition can be the dead hand of the past that frustrates a more efficient and effective handling of our business at the present time. If that were the case, tradition is something that should be dispensed with.

On the other hand, I think that you have, on a number of occasions—including the one that we have just discussed—been willing to experiment. I confess to you that from the outset I had some misgivings with regard to the particular point that the hon. leader of the Opposition (Mr. Oliver) has just raised, and I was waiting until I had some evidence from my own experience before I commented on it. But, as you have indicated, I think it is possible to work out a compromise which achieves a better procedure than we had in the past.

Secondly, I would like to extend congratulations to the mover and seconder, and particularly, for obvious reasons, to the mover of the address in reply to the speech from the Throne. It is a very rare occasion that any Legislature can have a man who has been for some 38 to 39 years sitting in its halls, to be able to rise and give of the depths of his wisdom and experience in connection with that Legislature.

I know that all hon. members not only enjoyed what the hon. member for Peel (Mr. Kennedy) had to say, but I suspect rather secretly envied that early grasp that he must have got of the basic values of life and, as a result of that, the fact that he has been able to lead a life that is not only full, but, as he himself has said so often, was a very happy life—one that he regretted very, very little.

In fact, at one point he almost—he did—express and then retracted that he almost wished he had another 50 years. On second thought, he retracted that one.

I wish I could say I agreed completely with some of his political philosophy. I cannot, and some time later I may have reference to that before I take my seat this afternoon.

Thirdly, I refer to the seconder of the address in reply to the speech from the Throne, the new hon. member from the constituency of Glengarry (Mr. Guindon). I think he main-

tained the standards that have been built up in the past of hon. members who are newcomers to the House and were given this rather rare opportunity of participating so early in the debate.

I am rather interested, Mr. Speaker, and I do not know if you have noticed this, that as in the instance of the new hon. member for Glengarry, and all those in this other group who have come into the House as new hon. members, that we are in the process of being invaded by the Scots.

Now, as a matter of fact, I did not realize the hon. member over there was a Scot, I just noticed his tie and came to the conclusion that perhaps he is—you may have noticed this fact among the new names in our Legislature this year starting with the Honourable the Lieutenant-Governor (Mr. Mackay). Now Keiller Mackay is obviously a name that has the smell of the heather about it. As I watched His Honour seated in that chair at the opening of the House, I felt it would not be disrespectful of tradition to wish that, instead of wearing this regalia which had been taken out of the mothballs, he should have been in a kilt. I am convinced he not only would be much more comfortable, but that he would be maintaining a tradition that is even longer than the tradition of the regalia of the Honourable the Lieutenant-Governor of the province of Ontario.

But in addition to His Honour we have a Stewart, a McNeil, a McCue. Now I have to pause here because I have been informed by the gentleman in question that he is not Scottish, but Irish. This simply emphasizes the fact that has been discussed many times down through history, that the Irish are only shipwrecked Scots in any case.

Then finally we have the hon. member for Glengarry. Now I have a soft spot in my heart for Glengarry for perhaps obvious reasons—if anyone examines my name—but for more reasons, that when my paternal ancestors came out to this country, they and their friends settled on each side of the river, Glengarry, and on the Quebec side south of the city of Montreal. I can remember as a boy growing up there, the many contacts between relatives on each side of the river.

I mention this for another reason—in the ethnic changes that are taking place in our country, down in Glengarry today there are many men who bear the name MacDonald whose mother tongue has become French in the process of the infiltration that has taken place there. So conceivably it is not out of place to include the hon. member for Glengarry among the Scots. I would think conceivably that in honour, or respect, or ac-

knowledgment of the many constituents he has, he might consider changing his name to McGuindon.

There is one other change in the Legislature in the last few months that I would like to refer to briefly, Mr. Speaker, and that is a couple of cabinet changes. We in the Opposition, and I suspect the public, have watched with interest in recent years when cabinet changes took place; it has become something of a cabinet duplicate of the old game of musical chairs. There were shifts in the cabinet, but it always happened to be shifts among people who were in the group, the music played and they moved around and some of them came down in the same position and some of them came down in a different position.

But there was something of a change this year. A couple of newcomers stole in from the wings, got in on the game in two of the portfolios: Mines and Reform Institutions.

Now to the hon. Minister of Mines I would, of course, like to express my hope that he will have a very enjoyable — but I warn him, a short — stay as hon. Minister of Mines, because he happens to come from a riding that went Conservative in the last election only because there was a little collusion.

I do not know whether there is going to be the same collusion between the Liberals and the Conservatives in the next election, but I give the hon. member fair warning at this point that even if there is, he may discover that it was a short—an enjoyable, but short —stay.

Hon. J. W. Spooner (Minister of Mines): May I assure the hon. member for York South that I know nothing of any collusion between anybody, and I live in the area which I have the honour to represent in this House. Now let us please stop at that, and cut out this bit of nonsense of collusion.

Mr. MacDonald: I did not expect that I would draw fire so early, Mr. Speaker, particularly on this point. I think the hon. Minister of Mines is needlessly aroused. All one has to do is to move about his part of the country to discover that this is a commonly accepted fact. He may not know anything about it. Perhaps it did not take place on his side of the fence particularly, but it did take place, and like the hon. leader of the Opposition, conceivably he was kept in the dark.

Now the second hon. Minister to whom I would like to extend congratulations and best wishes—and he may have difficulty in believing this, but I assure him that I do so in all

sincerity—is to the hon. Minister of Reform Institutions (Mr. Dymond). Let me say nothing more than this, that if the new hon. Minister of Reform Institutions can reconcile the conflict of personalities and pressures in that department, and if he can resolve the confusion of purpose within that department, he is going to make a very major contribution to public life of this province. I hope that he can, for there is a desperate need to do that, and I say no more at this particular time.

With regard to the speech from the Throne, Mr. Speaker, speeches from the Throne are traditionally rather vague statements in which one is left guessing. As a matter of fact, when I read the speech from the Throne this year, I was reminded of a comment which was made with regard to the recent Liberal convention in Ottawa, and the new Liberal platform that emerged as a result of that convention.

This was a comment by none other than Charlotte Whitton who said, when she was told by some Liberal that this was the new look: "It's the new look all right, the perfect sack." Now there may be a few mere males in this House who do not grasp the significance of what the "perfect sack" is. This happens to be the new garb with which the fair sex are now clothed as the result of some creation by a man by the name of Dior who has since, I am convinced, gone to his reward because of divine judgment after foisting such a creation on mankind, or womankind.

But, in any case, Charlotte Whitton's comment was: "It's the new look all right, the perfect sack, covers everything, touches nothing closely, and does not display one single exciting feature."

That is just about as apt a description as one could get for the speech from the Throne. One will have to wait until a little later to discover exactly what there is by way of excitement in it, because in traditionally sedate terms, it does not display very much at this stage.

I want to touch briefly on education. I do so briefly not because it is of minor importance; as a matter of fact, as the speech from the Throne indicates, education, and I am quoting, "is at once our greatest problem and our greatest opportunity."

It is so much our greatest problem that I found difficulty in trying to map out what I wanted to say today and do justice to it, so for the most part I am going to leave it until some later point in the session.

But I do want to make this general comment, particularly in light of what the

hon. leader of the Opposition (Mr. Oliver) stated yesterday. I think our problems with regard to education might be divided between the monetary on one side, and curriculum and motivation problems on the other side.

Regarding the monetary side, Mr. Speaker, if we really believe that education is our greatest problem, all we have to do is give education the degree of priority it deserves, and when we do that, most of our monetary problems are going to disappear.

I am not minimizing the pressures within a cabinet or in a political party, as hon. members try to decide how a given amount of money is going to be divided amongst the various departments, but I submit as I have done many times before in this House that if they continue talking about education being our greatest problem, then they must act accordingly. In the last 5 or 6 years we have not yet doubled our expenditures on education—or conceivably, if you include the grants for universities, it has about doubled in the last 5 or 6 years. During the same period we have not only quadrupled, we have come near to increasing 5 times the amount on highways.

In other words, it is a matter of priority. It is just like the demands of war, if they are impelling enough, if the government wants to give them the degree of priority they deserve, it can find the money, and the time must come very soon when this government must recognize that the money must be found for education, because we just cannot let its needs go begging in such a partial way to the extent that we have in the past.

As for the second aspect of the problem, I will confess at the outset that this is infinitely more difficult. I think the monetary side has a relatively easy solution. It is infinitely more difficult to attract teachers into a profession which, for a variety of reasons, has not been sufficiently attractive to draw the number of persons we require for teachers.

Even more complex and more difficult than that is this question of curriculum in our schools, something I have touched on at some length in considering the estimates in the last couple of years. Why just this morning, for example, I was interested in reading in the *Globe and Mail* an article entitled *THE CRISIS IN EDUCATION* by J. Bascombe St. John. In it he gives up-to-date figures with regard to the whole of Canada, pointing out that in the years 1955-1956, there were 213,000 pupils—I will give a round number here — 213,000 pupils in grade 8; in grade 9 there were 182,000; in grade 10, 131,000; in grade 11, 87,000; in grade 12, 57,000; and in grade 13, there were 13,000.

I listened to a retired official of The Department of Education speaking, no more than a month ago, to a service club of which I happen to be a member. He was analyzing the situation in Ontario, in terms of the drop-outs, in terms of what can be described as the failure of our educational system in maintaining the interest of, and providing an education for, any more than a small proportion of the people who enter our high schools.

By the time students reach the end of high school in the province of Ontario, only one-quarter, at the most one-third, remain from grade 9 through to grade 13.

Now, I do not think we can go on for very much longer ignoring this. I am only touching on this, and I assure the hon. Minister of Education (Mr. Dunlop) I will come back and discuss it in more detail under his estimates, and perhaps he can hold his fire until that point.

It is not only the question of the curriculum—whether or not the curriculum needs revision—there are other problems related to motivation. For example, hon. members may remember that within the past week we have had news from the city of New York where they had expelled some 600 pupils from a certain school system because they had become what one Canadian educationist describes as “educational bums,” people who are delinquent in the schools and were disrupting the entire school system, and who apparently are not willing to absorb education.

In the city of Calgary here in Canada, to come back home, this has been done in the last few years. Now this may appear to be an answer, but it seems to me pretty obvious, on the surface, that it is an answer which just creates an equally big problem. If we are going to start to expel the so-called “educational bums” from our schools, I say to the new hon. Minister of Reform Institutions, he had better start building more reform institutions, because many of those students who are expelled, turned out in the street so that there is not even any attempt to discipline and give them what they require by way of a training in life, are going to enter this deplorable succession of boys’ training schools, then Guelph, and eventually the penitentiary—adding to the sad stories that we have already discussed many times in the House.

In fact, there is another aspect to this, Mr. Speaker, which the hon. leader of the Opposition did not touch upon, something on which there is an encouraging amount

of research work now being done—and this is the question of motivation.

Why is it that the children of our generation—perhaps in contrast to the happy days of the generation of the hon. member for Peel, of which he spoke of in the House—do not seem to have that same impelling desire for education? Is it the curriculum? Is it the context of the society they are living in, as we move towards a shorter work week so that there is more time for pleasure, a five-day week, and all its related problems?

We do not know the answers, but we perhaps are moving towards at least some basic material to try to come to a conclusion—the work, for example of the Atkinson Foundation in conjunction with the Ontario College of Education has brought out a very significant study on what happened to the graduates of grade 13 in the year 1955. That is, what has happened to them in the intervening two years.

I was interested to note in the recent newsletter of the Industrial Education Foundation—the body that has grown out of the business conference at St. Andrews-by-the-Sea a couple of years ago—that it is now in the process of preparing a study that deals with this whole question of motivation.

But just in putting the picture in general terms for the moment, Mr. Speaker, I want to sum it up, that I think our problems of finances, as far as education are concerned, are the easiest problems. All the government has to do is to accord education the priority that they are willing to accord, for example, to highways, and we can solve that problem. And so can society as a whole, including the business community, if it is willing to do likewise. But the other problems are tougher and we really must seek their answers as we have moved into a sputnik age, and all that the sputnik age has done to remind the western world of its failures in this connection.

I want to turn for a moment, Mr. Speaker, to the question of committees; in two or three connections they were mentioned both in the Throne speech and in the debate yesterday.

One, I refer to the comment of the hon. leader of the Opposition when he referred to the fact that there had been no mention of the select committee on labour in the Throne speech, nor of a report from it because, apparently, he expected or hoped that we would be able to get from a report from this committee some guidance with regard to this whole problem of unemployment.

Now, I expect the Liberal party to look in the strangest places for the answers to unemployment, but quite frankly this one "buffaloed" me more than I was willing to anticipate. I have sat on this select committee—I think I have attended every single session that has been held—and I am certain that there has not been a single brief submitted by management, labour or a disinterested body, that has even raised the question of unemployment in connection with what is the particular job of this committee, namely, to examine The Trade Union Act and any changes which we might suggest.

I have no idea why the hon. leader of the Opposition ever thought we might get the answer to unemployment from the select committee. The only guess I can make is, the two hon. members of the Liberal party on this committee have been in and out of the Liberal party so frequently during the past fall that conceivably the lines of communication have been cut, and the hon. leader of the Opposition does not know what is happening in the committee.

Mr. Oliver: I would not worry about that if I were the hon. member. He has enough troubles on his own shoulders without taking somebody else's off them.

Mr. MacDonald: Mr. Speaker, I do not know whether the mechanical devices captured that blast.

Hon. Mr. Frost: Well, I think they ought to be made to catch it.

Mr. MacDonald: Secondly, I want to comment briefly on this Metro committee which the hon. leader of the Opposition referred to. I am not going to repeat statements which I made to the House a year ago; I can sum them up by saying that this committee is without precedent and without justification. To argue as the Prime Minister has done—as an excuse, or a justification or a rationalization of his action—that this is only an advisory committee does not meet the problem at all. The proposition that municipal government in the area of Toronto is a monopoly of the Tories, and there are no representatives of Liberals, CCF and other groups who could be brought in on this to give advice to the government, of course, is a preposterous proposition on the face of it.

I suggest that maybe the hon. Prime Minister let the cat out of the bag, yesterday, by some implications in his statement even if they were not explicit, namely, that a pretty sharp difference of opinion has emerged between the suburban and the Toronto areas as to

exactly how we should move, as I think inevitably we are going to move, towards amalgamation. By this device that the hon. Prime Minister has adopted of putting only Conservatives on the committee, what he is going to do is to impose party discipline to keep this free expression of opinion sufficiently under control so it is not going to be embarrassing to the government.

Hon. Mr. Frost: I would say to the hon. member, in dealing with that problem over a number of years, that, of course, is one of the problems of the differences of opinion between the urban and the suburban areas. I would say that I fully recognize that. Now my problem was this, to get a survey made by individuals who had a knowledge of that problem and who were acceptable to the various sides. I can assure my hon. friend that I have had the most commendary references from municipal councils and others concerning the committee and its capabilities.

Now, I can assure him that the matter as to whether or not they were Progressive Conservatives did not enter into the problem at all. In the matter of Metropolitan Toronto, some of the very best contributions to government there have been made by some who have views that might differ slightly from my own in relation to some of the problems of the country.

I can assure the hon. member that, in the matter of setting up that committee, it was for the purpose of, first of all, permitting persons to express to a body, like the one there for that purpose, the problems to be met and secondly, to enable an objective study to be made by persons who knew about the problem by reason of their experience in that form of government.

I would say to the hon. member, that this was one of the problems in the first days with the chairmanship. It is very difficult to get a chairman who has a knowledge of both the urban and rural side, or the suburban side of it, and today there are not so many who have that knowledge which is all-desirable. That is one of the problems of the government of this community.

I assure the hon. member that it is not a political matter, I do not view it as such at all.

Mr. MacDonald: The hon. Prime Minister has the magnificent capacity of putting his tongue in both cheeks at the same time and that is where he had it when he made that statement, because he has made it about 5 times already.

The hon. Prime Minister states that he wanted an objective study. Now I do not have

to tell the hon. Prime Minister that within the British Parliamentary experience, if a government wants an objective study, it puts members of more than one party on it. That is what this government did not do—for particular reasons which I can only guess, but I am entitled to do that.

Hon. Mr. Frost: I would say to the hon. member that I would not have the slightest objection, the fact is, I would welcome it if the hon. member or any of the hon. members in this House, would go to the municipal committee and raise the question of government of Metropolitan Toronto. I would be delighted, and I would say that any representation or any view that the hon. member or anybody else expressed on that would be given the fullest consideration.

I would say that the committee was set up only as a method by which the government could get information which it desired, but that in no way do I want to hamper the hon. member, or hon. members of this House, and I make this offer now that if they would care to raise the question of the government of Metropolitan Toronto before the municipal committee of this House, I will give them the fullest co-operation in giving them the facts of the situation. I can assure the hon. members of that.

Mr. MacDonald: The hon. Prime Minister can assure us, but that is a very, very second best; it is a third or a fourth best. What he has done is to set up a partisan group of people to study a very complex situation. If he wanted to have an objective study which he stated was his own aim, he would not put one party exclusively on the committee, and there is just no point in arguing it, for it is unprecedented.

Now, the hon. Prime Minister says that it is only an advisory committee. If it is only an advisory committee, I shall be interested in seeing the kind of report that it brings down, because one of the questions which is in the public mind all the time with regard to committees set up in Legislatures is the question of whether or not the money spent on them is worth-while.

One of the reasons why that is the case is that governments very often take the recommendations of the committee, and put them on the shelf and do nothing, but I would say with regard to this committee that it was money down the drain from the very outset, because the hon. Prime Minister has prejudiced the possibility of the public accepting this as a study that is really designed to give full freedom to all points of view.

Hon. Mr. Frost: Actually, I do not know whether this is possible but I say to the hon. member that if it is possible for the chairman of that committee to make recommendations before this House rises, I would be very glad to place them before the House and let the whole matter be discussed before the municipal committee.

Mr. MacDonald: We made these representations last year and they were perfectly valid at that point, and the hon. Prime Minister would not move—whatever his reasons. We look forward to the report which I trust is going to be a public report and not just something handed in to the cabinet and hidden away from that point forward.

Hon. Mr. Frost: It will not be a secret, anyway.

Mr. MacDonald: Mr. Speaker, the whole approach of the hon. Prime Minister is born of the concept that municipal affairs in the Toronto area are the monopoly of the Tories, which, of course, is ludicrous. The idea that he cannot get representatives of other parties! Since it is an advisory committee, they did not have to be in this House. The hon. Prime Minister himself knows of Liberal and CCF representatives who have been active and who have made real contributions to public life in the Metropolitan Toronto area, and there was no excuse for establishing a partisan committee. The longer he talks, the more it proves the weakness of his case.

Hon. Mr. Frost: The great trouble with the hon. member is that he does not want to be satisfied. He does not want that.

Mr. MacDonald: Certainly I will not be satisfied with the kind of proposition that the hon. Prime Minister has given in his explanations now. However, Mr. Speaker, I do not know if there is much point in pursuing this any further.

I hope that I can get, at this stage, the hon. Prime Minister's reconsideration on another development which has come in this session, namely his statement made in the House a couple of days ago, that the hon. Prime Minister is going to refer, to the standing committee on government commissions, this entire question of the relationship of government commissions to departments and so on.

Now, when the statement was made in the House, I rose and asked a question with regard to what I personally believe is the most important aspect of this whole issue, namely, ways and means of developing a

technique for adequate review of public commissions by the hon. members of this House, who in effect, are the shareholders of this public corporation.

When I made this analogy the other day, the hon. Prime Minister nodded his head in agreement that he thought this was a valid kind of analogy.

What I want to draw to his attention at the moment, is this, that when I read his words in *Hansard*, I noted that the key sentence he quoted from the report of the auditor-general was this: "Such a survey could be expected to report upon the allocation of duties between departments themselves and between departments and boards and commissions based on the principle of the nature of the service rendered to the community."

Now, I will not deny for a moment that there is an area for investigation there. Obviously, if we have 16, 18 or 20 public commissions, it is necessary to re-examine the particular duties that they have been given in relation to the department to which they are most closely related.

But I want to submit to the hon. Prime Minister that, in the terms of reference that he laid out and that are indicated in the auditor-general's report, there is no suggestion at all that we would move to this other, to my mind, even more important, job.

It is one thing to have certain duties shifted from a department to a commission, or vice versa, but to my mind the important question—and I think this is the kind of thing that is in the minds of the hon. members of the Liberal party in their various expressions of fear with regard to the development of commissions—is: How shall we bring public commissions and their activities under some sort of surveillance on the part of this House?

Now, I do not need to remind the hon. Prime Minister, because he is aware of it, that in the standing committee on government commissions where we have these 18 or 20 bodies which theoretically can report, this is the kind of thing that has happened: Last year, we had a two-hour session one morning, about an hour and a quarter of which was devoted to Hydro. If one can imagine anything more inadequate, more painfully inadequate—

Hon. Mr. Frost: Mr. Speaker, would it not be possible to call the committee on government commissions, say, tomorrow, and sit half-a-dozen or 20 times during this session?

Mr. MacDonald: Has the government done it?

Hon. Mr. Frost: I would be very glad to arrange it if that is what the hon. member wants. I would be very glad to do it.

Mr. MacDonald: Surely the hon. Prime Minister is aware of the need for a more—

Hon. Mr. Frost: May I point out that the hon. member for York South is a member of that committee and if he requests the calling of that committee tomorrow, to start and go through these government commissions, I would be delighted if he would.

Mr. MacDonald: If we met every day, I do not know if we could go through them, because now I come to a point which is equally relevant.

It seems to me that a standing committee of the Legislature is not necessarily the body that can do this job. That is the reason why I think the kind of directive that the hon. Prime Minister has given is a valid one.

Mr. Speaker, the reason why I raise it now is that the hon. Prime Minister, while he agreed with my interjection in the discussion the other day, did not include this as one of the questions that this survey might consider when we meet in the standing committee on government commissions. I hope that the hon. members of the committee, perhaps with a little help from the hon. Prime Minister, can be persuaded when we meet first to tackle this also, because I am certain it is fully as important as the question of shifting duties from commissions to departments and vice versa.

Hon. Mr. Frost: I would say to the hon. member I will agree with that, and I will be glad to do it.

Mr. MacDonald: I do not normally get that kind of co-operation so quickly.

Hon. Mr. Frost: Let him come around and see me and I will co-operate—

Mr. MacDonald: Mr. Speaker, I want now to turn briefly to a question which was raised yesterday by the hon. leader of the Opposition, and that is the position of Mr. Duncan in the chairmanship of Ontario Hydro. Just to give documentary evidence of the fact that this was on our minds—I do not know whether it is a case of great minds thinking alike or not—I will refer hon. members to question 8 on the order paper which yesterday was in *Votes and Proceedings* on its way to the order paper. And the question reads as follows:

What is the annual salary paid to the chairman of the Ontario Hydro Commission

and secondly, during the calendar year 1957, for how many weeks was the chairman on the job at Hydro and for how many weeks was he engaged full time in other activities?

Now, Mr. Speaker, rightly or wrongly, I think this is another important aspect of this question which the hon. leader of the Opposition did not touch on. The chairman of Hydro is a new man in the job, and conceivably there is no job in this province which is a bigger one than that of chairman of an organization the size of Hydro, with the challenges it has in terms of hydro-electric development, nuclear power, and all the rest.

I submit to hon. members, that the possibility that any man who comes in, as he admitted frankly, as a novice into the field, cannot do the job adequately if he is going to be engaged in other activities, even though they may be patriotic activities.

For example, the hon. Prime Minister said, and I think he is historically accurate, that trade matters are not a new-found interest as far as Mr. Duncan is concerned. He has been associated with, in fact I think he was the founder of, the dollar-sterling group as far back as 1949, but that does not alter the validity of the charge that was made by the hon. leader of the Opposition.

Now that this issue has become one of the hot issues in the political arena, the active participation of a man who is chairman of a publicly-owned corporation, inevitably pronouncing himself on one side of the discussion, is something that cannot go on. As far as I am concerned, it is even more important that a man who is chairman of a body of this size and who is coming to it as a newcomer, should not treat his position as a sideline. He is off for a couple of months to England, and comes back merely to become the spokesman for some new statement of policy, on nuclear power, for example, which has been prepared in the public relations department of Hydro.

I submit, Mr. Speaker, that the job as chairman of Hydro is a full-time job, and if Mr. Duncan wants to engage in patriotic activities, it is his right, but he cannot be at the same time chairman of the Hydro Commission.

Hon. Mr. Frost: May I say to the hon. member for York South, Hydro is one of the biggest and most fundamental businesses in Ontario, and Hydro must be and is interested in the development and the expansion of this province. Now I want a chairman, as far as I am concerned, a chairman and a commission who are going to devote themselves to expansion within this province. I would say

this, that I myself regard—and I think that business, and the people generally do—that one of the greatest things that can be done for the development of Ontario and this country, for the benefit of the western farmers, the wheat growers and others, is to re-establish our relations with the United Kingdom and the countries overseas in the sterling areas, so that we can do business with them. And I would say, without hesitation, that the chairman of Hydro, Mr. Duncan, who is the head of the dollar-sterling committee—an organization which as a matter of fact had its origin probably in Ottawa—has my full blessing, and I take responsibility that he helps to further that end. I think he is helping this country.

Mr. MacDonald: Mr. Speaker, I would have to say that I agree with the hon. Prime Minister that these are important tasks, but the point that he is missing, and missing deliberately because I know he has grasped it, is that a man who has a job as important as chairman of Hydro cannot do these other things without neglecting his responsibilities in Hydro. It is just about the equivalent of the hon. Prime Minister going out and becoming the manager of the Maple Leafs or some other similar function.

I have expressed my point of view, Mr. Speaker, and I am not going to discuss it any further, but I submit that if the hon. Prime Minister is going to bull-headedly proceed with this kind of argument, that he is accepting on his shoulders the responsibility for the chairman of Hydro being a part-time chairman in a position where we must have a person giving his full time, and some day the consequences of the kind of neglect—that is inevitably going to flow from having only a part-time chairman—will come home as chickens to roost, and the hon. Prime Minister will have to deal with them then.

Mr. Speaker, I want to discuss briefly another issue which was raised yesterday in the exchange between the hon. leader of the Opposition and the hon. Prime Minister, and that is the new day that has emerged with regard to the tax-rental agreements. I will have to agree that there is a new day—whether it is a better day, we will let events prove.

The new day, of course, emerges from the fact that during the last election campaign, hon. Mr. Diefenbaker and the other leaders of the Conservative party made very explicit promises in regard to what they would do in the revision of the tax rental agreements. In fact, the hon. Prime Minister assisted,

he gave them a pretty clear idea of what he wanted. He wanted \$100 million more.

Mr. Oliver: He prompted him.

Mr. MacDonald: The hon. Prime Minister of Ontario prompted him, I do not doubt for one moment. In fact, there were newspaper stories that they holed up in the Renfrew area at one point before the election campaign to map out the strategy.

Hon. Mr. Frost: If the hon. member for York South would hole up there for a little while, he might have a few of his ideas straightened out.

Mr. MacDonald: Well, at least, I will have to concede Mr. Duncan the credit of having brought a little bit more light into the dark recesses of Renfrew.

The point I want to make, Mr. Speaker, is that when the hon. Prime Minister gets up and says that normally federal-provincial conferences are events that go on for about two years, that this is really an irrelevant kind of excuse rather than an explanation at all. What Mr. Diefenbaker said, in his election promises, was that the tax-rental agreements were not generous enough, that he was willing to revise them. Yet what happened? He called the November conference together in a way that the hon. leader of the Opposition described yesterday. When the provincial delegates got there, they discovered that the present hon. Prime Minister (Mr. Diefenbaker) was indulging in exactly the same kind of tactics that the Liberal government did before, namely procrastination, because having brought them together, he offered nothing. He merely wanted to hear what they had to say, and then he sent them home empty-handed. Now, a year ago, in the old days, when this kind of thing happened, as it did happen, what did the hon. Prime Minister of Ontario do?

Well, figuratively speaking, the hon. Prime Minister was on the rooftops of Queen's Park screaming so that he could be heard not only to the 4 corners of this province, but the 4 corners of this nation. In fact, it immediately became an issue in which he was willing to fight, and the fire and the brimstone that was poured out into the political atmosphere of Ontario was something to behold.

Yet what happens this time? I picked up the paper and discovered that the hon. Prime Minister came away from Ottawa empty-handed, yet publicly he said nothing. He was as meek and as quiet as a mouse. A

few weeks later, as a part of this mass bribery that Mr. Diefenbaker is indulging in on the eve of an election, we get a sop thrown to us, \$22 million of the \$100 million the hon. Prime Minister wants.

Does he protest? Does he say that this is the kind of thing that he would expect from governments at Ottawa, who would not meet our needs? No. He says never in the history of federal-provincial conferences has so much been done in so little time.

You know, Mr. Speaker, there is another aspect of this new day. Last year when the people who were sitting in the Liberal ranks of this House rose and made excuses for the government at Ottawa, they explained why Ottawa could not do more, that they had national views to take into account, they had the Maritimes and the other poor provinces, and so on.

When they made all these excuses and tried to put the best front on what the Liberals were doing at Ottawa, the hon. Prime Minister rose and said, "Stand on your hind legs, you are elected to represent the people of the province of Ontario. Do not make excuses on behalf of this niggardly kind of treatment."

I invite the hon. Prime Minister to do precisely the same thing now. Let him stand up and speak for the province of Ontario, if it needs \$100 million.

Hon. Mr. Frost: That is what I have done.

Mr. MacDonald: Do not suddenly get very, very coy and cosy, and play politics on this for the benefit of the Tories at Ottawa, because in doing so, the hon. Prime Minister, on the basis of his own demands, is sacrificing the needs of the people of Ontario.

In other words, Mr. Speaker, it is the old game of the pot calling the kettle black, Tweedledum and Tweedledee, one is in and the other one out, and when they get in they act just exactly the same way. As Gratton O'Leary said, the only difference between the Liberals and Conservatives is a difference of mood and bias. They are not really two different political parties, as Mr. O'Leary, a good Conservative, ought to know. They are just administrative alternatives. And if we want a living proof of that—

Hon. Mr. Frost: I listened to Mr. O'Leary and that was not what he said.

Mr. MacDonald: That is exactly what he said. It is not only what he said this year,

but he was repeating it from what he said last year. And if we want to see just how intimate is the relationship, we have it symbolically in this House now in the person of the new hon. member for Elgin riding (Mr. McNeil), for he has to his record the achievement of being a Liberal nominee at a convention at the beginning of the year, and is sitting Tory at the end of the year.

Mr. Speaker, I do not say this to be embarrassing to the new hon. member for Elgin. This is one of the facts of political life in this country today. The only difference between the Liberals and the Conservatives is one of mood and bias, the mood is that they do not want to be on the losing side so they climb on the bandwagon with the winner.

And exactly the same problem presented itself when the Liberals were in power in Ottawa—the Conservatives losing men to them. Now it has reversed, and conceivably in the process perhaps the Liberal party will die. Under the leadership of “Mike” Pearson, like Lloyd George in Britain, it will move off into historic oblivion so that we can get back to a genuine two-party system in this country.

Mr. Child: How many votes did the hon. member get down in Elgin?

Mr. MacDonald: It was not as big as it should have been, I will admit that.

An Hon. Member: He was down there speaking for him.

Mr. MacDonald: The hon. member can bet I was. I will not deny it one bit, but the day will come. At least, we have the inner convictions and the strength with which to live until the day comes, too, and I warn this House of it.

Mr. Speaker, I want to turn to something that I know the hon. member for Essex North (Mr. Reaume) will not be interested in, so he can lapse into silence. I want to say a little about agriculture. His is a major contribution to agriculture, normally.

Mr. Speaker, there is one aspect of the developing picture with regard to the crisis in agriculture, that the hon. leader of the Opposition touched on yesterday, and I am tempted to follow his lead. But my great difficulty is to keep my remarks short so that the hon. member for Essex North will stay with me and not go out to the telephone, so I am going to leave it until some time later.

I refer to the efforts of the government at Ottawa, and the version of the hon. leader of the Opposition of those efforts, to meet one of

the basic needs of the agricultural community—an adequate income at something other than depressed levels.

That, I say, Mr. Speaker, I am going to leave until a later point.

I presently want to get around to an issue of the agricultural situation which is strictly provincial, and that is the crisis in farm marketing. And I want to start with an event of rather recent vintage, namely the Ontario agricultural council meeting which took place within this building a week ago, at which 3 hon. members in this House were invited as guest speakers.

I was placed in the position of having to substitute momentarily for the hon. Minister of Agriculture (Mr. Goodfellow). That must give the Tory back-benchers really something to shake about, to think that I was pinch-hitting, even momentarily, for the hon. Minister of Agriculture.

Because of other business, the hon. Minister was not able to be there at 11 o'clock, so I was put on first and he heard the latter part of what I had to say, and he did not like it. It was obvious that he did not like it. The hon. Minister of Agriculture is a mild man who does not anger very quickly, but it was obvious that he had built up quite a “head of steam” by the time his opportunity came to speak.

And what did he do, Mr. Speaker? He resorted to an old, old dodge—instead of dealing with the issues on which he had every right to disagree, he resorted to the old tactic of very quietly saying, “Now look,” and this is a paraphrase, “this is only a city slicker, don’t pay any attention to him, he knows nothing about agriculture, we have had the city slickers before who come down and give us new ideas.”

Well, Mr. Speaker, I do not know that my days of working on the farm are very much further back than the hon. Minister’s days on the farm—I will not argue that point—but certainly I can assure the hon. Minister that not only are my roots in the farming community where I grew up, but I have a very great and continuing interest in it, and if the hon. Minister has any doubts either now or later during this session, let me assure him that I am not going to rise in this House and make any pronouncement with regard to agricultural policies unless I have checked and double-checked with folks in the agricultural communities and in farm organizations.

Further, I can say, and there is documentary proof if he wants to seek it, that in the last two or three months I have spent a

very good proportion of my time in going to meetings of agricultural organizations, commodity groups, the farmers' union, the Federation of Agriculture, and discussing with individual leaders of different organizations, to make certain that the kind of thing I am going to say is valid.

If I am wrong, it is an honest error, because I have sought the information from people who are in the day-to-day battle.

Now, the second thing I want to say, with regard to the hon. Minister's comments, is that it would be just as nonsensical and as unfair for me to dismiss everything that Dick Bell said at the luncheon speech to the Ontario agricultural council because he happened to be a lawyer who came from Carleton—just about as unfair as the kind of tactics he received.

Mr. Macaulay: He was a farmer too.

Mr. MacDonald: He was a farmer.

Mr. Macaulay: He is. He has been on the homestead since.

Mr. MacDonald: Sure, I know, he is a lawyer but has been in full-time politics for quite some time.

The hon. Minister of Labour (Mr. Daley) comments periodically that I am still holding the bag since my farm days and this is proof of the matter.

But what I want to say, just before leaving this aspect of the matter, is that one of the things that saddens me about the kind of tactics which the hon. Minister of Agriculture adopted is, that I think our agricultural community is facing difficulties today so great that they need the interest, the sympathetic interest, of everybody, even the so-called city slickers, and I do not think the hon. Minister of Agriculture is contributing one iota to the basic needs and interests of the agricultural community, because he happens to differ with what is said, to dismiss the comments of a speaker as something coming from a person in the city who allegedly knows nothing about it.

The second comment I want to make on the hon. Minister of Agriculture's speech is that I have heard him on a number of occasions now—at federations of agriculture and farmers' union conventions—and I am rather impressed with the consistent pattern. He comes before the audience and in a very skilful way—he is a smart politician though he poses as no politician—he evades dealing with the issue and resorts to a sort of folksy pose as the rural philosopher. He reminisces about his days on the county

council and back on the farm. But he reached a new high—or low, depending on how one wants to view it—in his speech the other day. He told his audience that “you cannot find two ideas to rub together around Queen's Park, for at Queen's Park you cannot see the woods for trees.” “If I want to get an idea,” said the hon. Minister of Agriculture, “I go back to the eighth concession line in Brighton township and there is where I pick up the ideas.”

Now, Mr. Speaker, if I ever heard a ludicrous statement, that is it. Sure, there are good ideas back on the rural concessions. I would not deny for one moment that there are not good ideas back in the farming community. But to indulge in this cheap kind of politics, of setting country against city, of suggesting that in all the accumulated personnel in The Department of Agriculture, originally from the farm community, with educational training and long experience, from among them there are not “two ideas around Queen's Park” that can be rubbed together—that is absurd.

This is the kind of folksy pose which, let us fact it, is phoney. It is just about as phoney as the hon. Minister coming before farm groups and saying, as he did, “I am no politician, I am not interested in the ways of politics.”

Let us face it, next to the hon. Prime Minister he is the cutest political fox in the Tory den. And, let us face it, in a very skilful way what the hon. Minister of Agriculture is doing is gearing activities of The Department of Agriculture to serve the interests of the Tory party. Oh yes, he is. If one goes around the farm community he will find out just how some of them see it, and if the hon. Minister thinks he is “kidding” anybody, sometime he will learn that he is not.

Another aspect of his speech that I enjoyed and this is getting down to the basic problem of marketing at the moment—was his account of what happened in connection with the recent government announcement. Hon. members will recall that last December, suddenly there was an announcement—a kite, an inspired story, call it what you will—out of Queen's Park to the effect that the Frost government was considering getting out of farm marketing.

Hon. Mr. Frost: I can assure the hon. member that there is absolutely nothing to that at all.

Mr. MacDonald: The hon. Prime Minister has not even heard what I am going to say.

Hon. Mr. Frost: I know, but I know what the hon. member is inferring.

Mr. MacDonald: He has no idea what I am going to say. Let him wait until he hears the whole story. Just let him not get so anxious.

Hon. Mr. Frost: I say to the hon. member, that if he wants to get the truth of it, let him read what I said down in Elgin.

Mr. MacDonald: When I went down to Elgin in the by-election, I was shown, for example, a streamer headline on the front of the St. Thomas paper which said: FROST GOVERNMENT CONSIDERING WITHDRAWING FROM FARM MARKETING.

Hon. Mr. Frost: Well, I am not responsible for that.

Mr. MacDonald: Exactly. Now, how did this all come about? It is rather interesting. Let me relate the account of the hon. Minister of Agriculture. He started out, in effect, maligning the newspaper men. From where these "boys" get their stories, he did not know. They operate in a wonderful way, he said. They dig their information out and suddenly it appears. But the hon. Minister had no idea where they got it. In fact, he was so worried about it that it spoiled his Christmas holidays, Mr. Speaker. That was his line of argument. But, said he, in stage two of his case—and let hon. members follow the logic of this, because it is rather good—

Hon. Mr. Frost: I was so worried that I did not take any Christmas holidays.

Mr. MacDonald: Stage two of his account of how this happened was that, once the story was out, he was glad about it. That was really making a virtue of necessity. He was glad it happened, because, he said, he discovered that the farming community is really most happy with the present situation—the present set-up of the farm products marketing board.

After about 5 or 10 minutes after the hon. Minister's folksy account, he actually made this statement, which I copied down:

It ended up that we are glad we flew that kite because we have discovered that the farm community is happy.

In short, he started out decrying the mystery of where this announcement came from, and he ended up with saying that he was glad he had flown the kite because now he had discovered that the farm community is happy with the present situation.

Having given the hon. members this running account of the hon. Minister's speech—which is, I assure them, second best to having heard the hon. Minister—I want to get down to the heart of this matter, the question now in the minds of the farming communities in the province of Ontario: "Should the government be in farm marketing?"

The government-inspired stories, in the hon. Minister's words for it, the "kite" they flew, raised this whole question. Should the government be in farm marketing? If so, why? And to what extent?

Hon. Mr. Frost: May I say to the hon. member that I know that he wants to be on correct grounds, I would not want him to get removed from the proper basis.

Now the situation was merely this—in regards to the newspaper story, I know nothing about that and I am sure my hon. friend (Mr. Goodfellow) knows nothing about it, but this is a fact that we have discussed. Should the farmers be given total self-government?

Now, it is not a question of getting out of farm marketing at all, all it is is this. Should the board, instead of being a board which is civil service and arguably dominated by government, should it be a board composed of the leaders of the farm community itself? That is the question.

I think the hon. member would say that ultimately that is, I think, the real objective. I think we have reached that point probably in the milk business, have we not, or virtually so in the milk business, where there is pretty well self-government?

The problem is this: should that be done, should we go that rapidly in farm marketing? I say to the hon. member that he has probably read the brief of the farmers' union. Now the farmers' union counselled delay in it. They say, in effect, that the idea is all right but this is not time to do it. That is the only issue there is in the matter at all.

Mr. MacDonald: I want to suggest to you, Mr. Speaker, that this is not the only issue. This may be a sort of mechanical expression of the issue, but it is not the real issue. I saw the issue put in a very dramatic way at the Ontario Federation of Agriculture convention at the King Edward Hotel last November.

The hon. Minister had spoken, and after the speech was over, questions were entertained from the floor.

A man by the name of J. C. Broderick, who is well-known to hon. members—and incidentally, in this connection, because I think it is of some significance, his political affiliations

are also well known—asked this question of the hon. Minister. He said: “We thank the government for having put farm marketing legislation on the statute books of this province. We are grateful for your help so far. You went that far with the farmers, but my question to the hon. Minister is this. Are you standing with the farmers as we proceed to put this legislation into effect?”

Hon. Mr. Frost: The answer is yes, indeed yes.

Mr. MacDonald: Now just a minute. We will come to a few instances. I hope that the answer is yes. I am going to plead that the answer be yes, but there are some instances at which I want hon. members to take a look, and then they will know why there are some citizens of the farm community who are not so certain.

The hon. Minister of Agriculture replied to Mr. Broderick. But Mr. Broderick got up and he said, “Mr. Minister, in all deference, you have evaded the question, you have not answered it.” And he put the question again to the hon. Minister who in his folksy, rural-philosopher fashion, gave another reply, which, quite frankly, I do not think was much more explicit.

But there was the issue. There was the issue put by a man who is a leader in the agricultural community in Ontario, a former president of the Ontario Federation of Agriculture. The government has put farm marketing on the statute books, but is the government going to be with the farmers, as the government must be, when they move to implement that legislation and build effective farm marketing machinery?

Now, the reason why the government must stand shoulder to shoulder with the farmers is this: our economy today has ceased to be a free-enterprise economy, particularly with reference to the agricultural community. I will not take the time to document this from briefs, such as that of the Ontario Federation of Agriculture a couple of years ago, that free enterprise, as we used to know it, or were told it existed, is now a myth.

Secondly, let me cite the warnings of Lloyd Jasper, when he was president of the Ontario Federation of Agriculture at the convention last fall. He made the observation—and perhaps it is well that I do quote it—he said: “Farmers as individualists simply cannot cope with the immeasurable steam-roller pressures which these other groups successfully create.” And then he put it in very strong words. He said: “Any farmer

who believes other than this is actually a menace to our agricultural community.”

In other words, no farmer can cling to the illusion, whether it be an honest conviction or an illusion subsidized by the packing companies, that they are going to be able to build a marketing scheme against the power blocs of the economy, as represented by the packing companies, and by the fruit and vegetable processing companies, or by the tobacco companies. They just simply cannot do it if they have not got a marketing organization, and that organization is not going to be as effective if the government is not willing to back it with all the prestige and weight of the government, to let the “big boys” know that they must live up to the law of the land.

One of the things which was very disturbing about this kite-flying effort of last December was that, no sooner did the story get out that the government was considering getting out of farm marketing, than what happened in the Tory press? What happened among the friends of this government in the newspaper world? Just let me read a couple of quotes. Here was the *Globe and Mail*. This is what they said:

Unfortunately it is still not clear how far Queen's Park is prepared to go. Official spokesmen have indicated that the government wishes to dissociate itself with enforcement of farm marketing regulations, and leave this task to the farmers themselves. Does this mean that the compulsory features of existing legislation will be eliminated?

Are individual producers to decide for themselves whether to join any marketing schemes, or does it merely mean that the provincial authorities will withdraw from the checking and investigating work which is necessary under these schemes, but leave the board with the power to bring defaulters into court?

This newspaper strongly urges the government to go the whole way in restoring free trade in agriculture. The farmer ought to have the same liberty enjoyed by producers to sell his product himself or to join in co-operative arrangements as he chooses. That indeed, is one distinction between a free man and a serf.

Mr. Foote: That is right.

Mr. MacDonald: Now Mr. Speaker, who said that? It would be very curious to find out who is lined up with the *Globe and Mail* and opposed to the farmers. Very curious. Oh, was it the hon. member? Well,

I must say I am surprised, because anybody who has the idea that a farmer is going to be a free man when he has to go and face alone the power interests in our economy today, and feels that the farmer is reduced to a serf if he joins collectively with his fellows to try to get some bargaining strength, just does not have any conception as to what makes the twentieth-century economy tick.

Mr. Foote: There is more to be said than that.

Mr. MacDonald: There is not more to be said than that. That is the nub and the kernel of it and if the hon. member cannot see that, then he cannot see the rest of it.

Now let me go on to the *Ottawa Journal*. Here we are, Gratton O'Leary, the Conservative, two paragraphs from the editorial of the *Ottawa Journal*. Referring to the proposed government withdrawal, the *Journal* said:

This, should it happen, might be a retreat from what many looked upon as a dangerous trend, a trend toward government-sponsored dictatorship in the field of farm marketing.

Think of it. Here is the good Tory spokesman, and as far as the *Journal* is concerned, the farm commodity marketing schemes are government-sponsored dictatorship which they want to get rid of, because, the *Journal* continues:

The question will be asked and the *Journal* thinks rightly, whether the retreat goes far enough, whether it would not be a good thing if it goes to the point of repealing all and most of these marketing schemes imposed within recent years upon the farming community.

Hon. Mr. Frost: Mr. Speaker, I want to set the hon. member right—

Mr. MacDonald: Well, I hope he can set his fellow Tories right. Now let the hon. Prime Minister proceed. I will give him a little time now.

Hon. Mr. Frost: I want to set the hon. member right. If I can keep him right, that is a desirable thing. May I point out to the hon. member, and I think that in his calmer moments he will agree with this—

Mr. MacDonald: I am quite calm now.

Hon. Mr. Frost: All right. May I point out to him, that this government pledged itself to do what no other government had done, and that is, to fight the case of the farmer for

the farmer; and on behalf of the farmer, through to the highest courts of the land and we did that and won his case.

I want to say to the hon. member that I do not want him, by implication, insinuation or anything else, to think this or to leave this with this House or with the people, that we are not going to stand by the farmer. We are going to strengthen the legislation we now have and I would say to the hon. member if he doubts that, let him examine what we did in the tobacco matter—

Mr. MacDonald: All right, I want to do just that but the hon. Prime Minister is making his speech instead of letting me make mine.

Hon. Mr. Frost: May I say this, that if the hon. member wants any evidence on that, with me, by my side and by the side of the hon. Minister of Agriculture, sit representatives of the Federation of Agriculture throughout all the negotiations, and they can tell him how we helped to carry through the problems of the farmer.

Mr. MacDonald: I am very glad to hear the hon. Prime Minister reiterate this determination to stand back of the farmers, but what I want to say to the hon. Prime Minister is this. This is not a new statement. The hon. Minister of Agriculture—

Hon. Mr. Frost: My hon. friend, we are fighting an injunction of the crux of this problem right today, in connection with that matter.

Mr. MacDonald: Let me proceed. If the hon. Prime Minister's words are going to be backed by actions, and he really means it, he does not have to be so disturbed about it.

Hon. Mr. Frost: They have been.

Mr. MacDonald: Now, what I want to do now is have the House take a look at a couple of experiences we have had at farm marketing, just to show the deficiencies of government action. Let me cite the tobacco marketing experience, for example—and it is not so much the deficiencies of government action in this instance as the belatedness of it. Moreover, to my mind, a lesson emerges from the tobacco-marketing experience. The hon. Prime Minister yesterday gave us the details of what happened, and I do not need to recount them.

But I want to submit to the hon. Prime Minister that one of the reasons why the tobacco companies engaged in what ultimately became an outright economic boycott, flaunting the law of this province and the majority decision of the tobacco producers

—one of the reasons why they were encouraged to do that was because for the very two months that they were doing it, everybody was asking, is the government really in farm marketing or are they going to pull out? And when the government was willing, finally, to sit down with both the growers and the companies, so that the prestige and the weight of the government was brought to the bargaining table, and they were compelled to sit there for 5 days, who were the people who eventually capitulated?

In spite of all the window-dressing involved in the settlement, the people who capitulated were the tobacco companies. They recognized that the government—and I give them credit in this instance—that the government in effect said, at the end of the fifth day—whether they said it directly, or whether it became obvious because of the presence of the hon. Prime Minister and the hon. Minister of Agriculture—that the tobacco companies simply cannot get away with defying the law of this land.

And that is what the tobacco companies were doing. In fact, they were not only defying the law of the land, the incredible thing was that they were refusing to accept even the bale proposition. The idea was that we sell eggs by the dozen and maple syrup by the gallon, and that we should have a unit of sale for tobacco. They wanted to keep it in an indefinite, vague business so that they could continue to exploit the farmers as they had exploited them.

They even refused to accept independently government inspected bales, they reserved the right to open the bale and decide whether or not they agreed with the grade which had been put on it by the government inspector. They capitulated on this, and I give the government credit for making them.

But what I am saying to the government is, that the lesson in the tobacco experience is a clear lesson, that if the government is not, particularly at this critical stage, standing shoulder to shoulder with the farmers, instead of flying kites that they might be getting out of the farm marketing, these ruthless corporations will smash these marketing schemes, as indeed some of them have attempted down through the years to do.

Now, I want to cite a second example, and here the deficiencies of this government's action are very, very much more obvious.

I want to refer for a moment to the hog marketing scheme, which is perhaps the key

marketing plan in the whole set-up, and which is today faced with an atmosphere of uncertainty—with a sort of Damocles sword held over their heads regarding what is going to happen.

And what is the story, Mr. Speaker, in the hog marketing scheme? I hope the hon. Prime Minister will listen to this historic recapitulation, some of which he will be familiar with, but some details he may have forgotten. In this story is implicit some of the failure of this government to do the necessary job in farm marketing.

The hog marketing scheme was set up in 1945 after a vote. Do you recall what the vote was, Mr. Speaker? Some people may have forgotten. The vote was: 29,353 farm hog producers said "yes" and 205 said "no". This plan was armed with regulations which gave the hog board the power to establish minimum prices, gave them the power to establish conditions of sale, and if necessary, to establish a marketing agency.

Now we enter stage one in the hog marketing scheme, during the years 1945 to 1951. This was a stage in which the hog producers established a committee, a negotiating committee, to negotiate a minimum price, and for a period of 5 or 6 years they struggled to work out a procedure with the packers so they could establish a minimum price. That stage in the struggle came to an abrupt end, and how did it end? I want to remind the hon. Prime Minister and the hon. Minister of Agriculture how it ended.

It ended in 1951 when suddenly the hog producers' association received a letter from the council of packers saying that they were willing to continue to meet with the negotiating committee, but they refused to discuss a minimum price any further. Just a boycott, a blanket refusal. They refused to discuss minimum price.

What were the rights of the hog producers under those circumstances? Their rights were to ask for the setting up of a board, so under the regulations they set up an arbitration board with a government-appointed chairman and with a representative of the hog producers.

Then what happened? I will tell hon. members what happened. The packers of this province thumbed their noses at the hog producers, the government, and everybody else—they refused to appoint their representative to the arbitration board, and this government did nothing. In other words, the packers just said: "To heck with the law of the land, we are not going to negotiate minimum prices," and the

law of the land went down the drain. That was stage one in the hog producers' story.

Let us move into stage two. The producers then started to establish, to try to establish, a marketing agency, the United Livestock Sales, which was a company of the agents who had been operating in the stockyards. Experience proved that the farmers were not happy with this because it was a private incorporated company and was making profits.

So very quickly, by 1954 or 1955, they moved to the next stage of establishing a hog marketing co-operative so that all of the producers became members of the co-operative. But out of the experience, both under the United Livestock Sales and under the hog marketing co-operative, the hog producers faced this continuing problem, that the packers were able to maintain control of 90 per cent. of the deliveries directly to the packing company, and they maintained this control by under-the-table deals in many instances with truckers to make certain that the hogs went directly to the packing companies.

As a result, the producers had very little control over price altogether. Furthermore, it was as a result of that experience that the hog producers' association came to the conclusion that the only way they could get control of marketing was to get the hogs from the farmers' pens out into assembly points where the packers would have to bid for them. The packers would have to make their purchases from these assembly points, and from these assembly points only. In other words, the producers would establish physical control over the hogs in order to secure some genuine control over the marketing of their product.

Now I come to a point which I hope the hon. Prime Minister and the hon. Minister of Agriculture will ponder carefully, for this is the kind of thing that went on down through the years.

For example, in 1951 or 1952, the United Livestock Sales, in accordance with regulations, was set up as the marketing agency for the hog producers. Such a marketing agency becomes an official body only when it is gazetted in the *Ontario Gazette*. Normally, when such a marketing agency is set up, The Department of Agriculture—and surely this is just plain common decency—will put the advertisement in the *Ontario Gazette* to indicate that this is the officially recognized marketing agency for the hog producers.

What happened? The Department of Agriculture refused to "Gazette" the United Livestock Sales as a marketing agency, and the solicitor of the hog producers' association had

to go down, as was his right as a free citizen in this province, and buy a paid advertisement to be able to get the United Livestock Sales officially "Gazetted" to the province of Ontario as the agency of the hog producers.

Now, why there should have been this kind of dog-in-the-manger refusal of full co-operation with the hog producers, I just do not understand, but there it is—a record of historical fact.

The second thing of which I want to remind hon. members is that about 1954 the hog producers ran into another difficulty. The difficulty arose from the fact that they were informed by Department of Agriculture officials that the hog producers' regulations, the regulations covering their sales, were not in accordance with the new Farm Products Marketing Act.

Now this is part of the complex difficulties of keeping regulations conforming with marketing Acts, but I say to you, Mr. Speaker, that this was not the problem of the hog producers, this difficulty was no creation of theirs, this was part of a continuing difficulty at the legislative level, and if anything, the problem and responsibility rested with The Department of Agriculture.

Again in 1955, rumours began to get around the province that the "hog co-op" was not legally constituted. Thus the difficulties in building an effective marketing scheme were compounded by the public rumours that the "hog co-op" was not a legally constituted body. Finally these rumours were nailed down when Mr. Frank Perkins, the chairman of the Ontario farm products marketing board, made a public statement in which he said that the hog co-operative was not legally constituted. There were months of argument and uncertainty arising from this.

Now comes the next chapter, and the hon. members from up in the Grey-Bruce area will remember this rather vividly. In 1956, as the hog producers' association moved towards the establishment of a directional programme, it issued orders that all the hogs in the Grey-Bruce area must be delivered to certain assembly points.

Suddenly, the decree came down from The Department of Agriculture—or let me not exaggerate and say decree, the judgment, the opinion—was handed down by The Department of Agriculture, with the full authority and prestige of the chairman of the Ontario farm products marketing board, Mr. Perkins, to the effect that these regulations, these orders, in connection with the directional programme were not legal.

Now just to show how ludicrous this became, the solicitor of the hog producers came down and raised and discussed this whole matter with Mr. Clifford Magone, then Deputy Attorney-General, and Mr. Magone's conclusion was that the orders, the regulations, for the direction of them were legal.

So what did we have? We have a situation in which the chief law officer of the Crown said they were constitutional. That was in 1956, and the point I am trying to make—

Hon. Mr. Frost: The hon. member is creating a misunderstanding on this point. The situation is this, at least this is my recollection of this matter, that the action of the hog marketing board or the marketing scheme was challenged by certain individuals, notably a farmer in southwestern Ontario. Now, I would say that the government took the position that the action taken by the marketing board was legal. We never departed from that position. It was a fact, and it was arguable, and the point was of course advanced by very eminent authorities on the other side, that the action was illegal. But, as a matter of fact, we took the position that it was legal, and the matter by arrangement with the then Ottawa government was referred directly to the Supreme Court of Canada, and our contention was substantially sustained by the Supreme Court of Canada.

Now, that was the position, and we never departed from it, but it is fair to say this, that there were, of course, substantial grounds on the other side. If I remember correctly, the opinion of the Supreme Court of Canada was not unanimous. It was a divided opinion in the Supreme Court of Canada. It was fair to recognize this, that while we were arguing that it was valid, nevertheless there was the point of view which was very substantial that it was not valid.

Mr. MacDonald: The thing I wish to draw to the attention of the hon. Prime Minister is that I did a bit of digging around in constitutional cases back in university days, and I know that there are two sides to every one of these stories.

But what puzzles me is this, why should the farmers of the province of Ontario find themselves in the position that the man who is arguing that their powers were not legal was the chairman of the farm products marketing board?

Hon. Mr. Frost: Oh no, he did not say that.

Mr. MacDonald: He did say it, and there are records to the effect that he did say it.

Hon. Mr. Frost: I would point out to the hon. member that this was the situation, it was pointed out that the position was challenged. I had dealings with that from the conference of 1955, and I took Mr. Harris, who is from St. Catharines, with us, along with Mr. Magone, and we carried it through in the conference at Ottawa, and the subsequent references to the course—it is fair to the people to say this, that the point we were dealing with was an obscure point which was on the borders of federal-provincial relationships.

While we contended that the marketing legislation and the action of the hog producers was within legal limits, nevertheless it was fair and proper to tell the people that there were ambiguities about this matter and it depended upon the decision of the court. Now that was the situation.

Mr. MacDonald: I am aware of all that, but I repeat that it strikes me as passing strange that the person who was emphasizing the unconstitutionality, or the illegality, happened to be one of the officials of The Department of Agriculture. I submit to the hon. Prime Minister that, if he wants to check the record, he will find that for a period of weeks and months, while the case was going through the courts, the same view continued to be advanced from department officials even while the chief law officer of the Crown was saying the opposite was the case.

Now, it seems to me that the farmers of Ontario should be entitled, in their efforts to build farm marketing legislation, to have the fullest co-operation from the department.

Hon. Mr. Frost: We fought the case through the courts for them and we won it. I point out to the hon. member that it would have been a disastrous thing if we had taken the position that, without the shadow of a doubt, the legislation was valid, and the Supreme Court had rejected that point of view.

Now, I can assure the hon. member that that point was a very debatable one dealing with indirect taxation, and we were very glad indeed to get a favourable decision.

Mr. MacDonald: I do not for one moment say it is not a very obscure and debatable point. I will concede that eventually this government did take it to the Supreme Court and got it resolved. But I repeat, and I refuse to withdraw from this position, that the farmers of Ontario surely are entitled, if there is going to be any raising of legal difficulties, that the raising of those difficulties should not

come from top officials of The Department of Agriculture, and that it what went on for years.

However, let me move on, because all down through these years, from the early days when the department refused to "Gazette" the United Livestock Sales as a bargaining agency, there were technical and legal difficulties. It would seem to me, Mr. Speaker, that after all those years of difficulties the hog producers did get to the point where they were trying to establish their directional programme last fall. In fact, in the month of September they moved with the setting up of directional assembly points in about 7 counties, and in October they moved to another 5 or 6, and I think at the present time they have something like 15.

While they were in the midst of this, and, after all these legal difficulties, what happens? The government catapulted them into a premature vote.

Hon. Mr. Frost: The hon. member is unfair to say that, because they have not been catapulted. We have extended the time to vote to assist them.

Mr. MacDonald: There has been no public announcement of the postponement to vote. All we know at the present time is that, as of last October, the hon. Minister of Agriculture has indicated that there will be a vote and that it will likely be held in March. That is all we know, and I want to come in a moment to a plea that it is about time that if the government is not going to hold that vote, that it announce the fact publicly and remove all these difficulties.

I happened to attend one of the hog producers' meetings and it was a very illuminating one. I will deal with the point the hon. Prime Minister is trying to raise in a moment. I attended a meeting—

Hon. Mr. Frost: I think the hon. member is dealing with the matter of the vote that was taken by the marketing plan scheme itself. I think it was two years ago, or perhaps it was three years ago, asking that a vote be not taken for a period of a year. I would say that two-and-a-half years have gone by.

Mr. MacDonald: The hon. Prime Minister happens to be inaccurate on a very key point, namely, the request of the hog producers in 1955 was that there should be no vote held until one full year after the full operation of the scheme. Well, they started to establish their scheme in September of 1957—in terms of their assembly points.

Hon. Mr. Frost: That was under a new Act.

Mr. MacDonald: That was not under any new Act at all. The fact of the matter is that they were finally trying, after all the resolving of the legal and the constitutional difficulties, to set up their scheme, and when they were in the midst of setting up their scheme, and in spite of their plea that it should be left for one year afterwards, they were catapulted into a vote.

Well, let me assure hon. members that the hon. Prime Minister might be singing a different tune if he had been able to sit on the sidelines at the meeting of the hog producers at the Lord Simcoe Hotel last November 4 as I did. And I can assure hon. members that I never sat in on a meeting in which farmers were more angry. And what did the farmers ask? Please let the hon. Prime Minister not get so excited.

Hon. Mr. Frost: I think it was in the spring of 1955, under the Act that existed then, that the board asked that there should be a year's grace given to work out and carry on and to give effect to the plan they had in effect.

Now may I ask the hon. member this, how in the world would anybody in 1955 know that there was going to be a favourable decision of the Supreme Court of Canada in 1956, and that there was going to be a new Act in 1957? They could not have known. They asked for an extension of time and got it, and as a matter of fact, we have carried them along since that time without any vote at all under an entirely new Act. I think the hon. member will agree that—

Mr. MacDonald: The hon. Prime Minister can tell that to the hog producers, because they do not believe it. I listened to them down at that meeting in the Lord Simcoe Hotel, and the two or three requests they made were these:

That in 1955, they requested there not be a vote until one year after the plan was fully in operation.

Hon. Mr. Frost: But a new Act has been passed.

Mr. MacDonald: If the government brought in a new Act, that does not mean that it is absolved of the good faith in living up to a previous commitment—that they would not hold the vote for one year after the plan was fully in operation.

The fact of the matter is, Mr. Speaker, that at the present time, of the 42 counties in the province of Ontario, only 15 of them have their assembly points organized, and those were organized in the months of September, October and November. Now, right

in the midst of organizing what is now only one-third of them, this government catapults them into a vote so that their energy—

Mr. Robson: Where does the hon. member get all his information?

Mr. MacDonald: Let him never mind where I get my information. He was at the November meeting and he should know about it. I was at the meeting at which the hon. member who is now interrupting—

Mr. Robson: I was there as a delegate.

Mr. MacDonald: So the hon. member was there as a delegate. Well, he was there as a delegate, he was one of a group who unanimously voted that the hog marketing vote should be postponed for a year.

Hon. Mr. Frost: If there had not been one or two fellows like the hon. member for York South inciting it, it would have been done.

Mr. MacDonald: This is a very flattering comment—that I was inciting all these solid hog producers from the 8th concession of Brighton township and so on. This is “hog-wash.” The fact of the matter is that at that meeting, with the hon. member for Hastings East as a delegate—so he now says—they sat there and voted unanimously that this vote should be postponed for a year, and that a request should be put to the government. Furthermore, about two days later, the whole proposition came before the Ontario Federation of Agriculture and they endorsed the request that it should be left for a full year. They also made a request to the government that it should change the voting procedure. This iniquitous proposition that the farmers are now greatly aroused about, and are besieging the hon. members of this House for changes on—involves the question of whether or not they are going to be burdened with an undemocratic voting procedure of having to get 51 per cent. of those eligible rather than those who are actually voting—

Hon. Mr. Frost: Has the hon. member read the representations of the farmers' union on that point? Now there is a very strong organization, an organization which is very strong in my own locality, and they asked that there should be a 66 per cent. vote. Now, is that storming and raging and—

Mr. MacDonald: Mr. Speaker, I would like to ask the hon. Prime Minister if he has read the briefs of the Ontario Federation of Agriculture.

Hon. Mr. Frost: Yes, I have.

Mr. MacDonald: All right, if he has read them, he knows that this is precisely what they are asking for.

Hon. Mr. Frost: May I just ask the hon. member this. I have just myself come through a very difficult experience in connection with tobacco marketing, and I want to ask: How could the tobacco marketing plan have been sustained in the storm of last month without the overwhelming support of the producers? It could not have been.

Mr. MacDonald: Mr. Speaker, let us come to the point that the hon. Prime Minister is raising. I will come to it. I want to, for example, deal with this business of the plea of the hog producers, backed by organized agriculture generally, that we change this voting procedure.

I was very interested, Mr. Speaker, in reading a copy of the *Rural Co-operator* for December 10, and finding that among those hon. members of the House who were visited by a delegation from his area, was the hon. member for Perth (Mr. Edwards). I was interested to read that he was quoted in the *Rural Co-operator* as saying that: “until I attended this meeting, I held the opinion that the voting procedures were a lot easier than they actually are.”

I have talked to a good many of the people who were delegated to visit their local hon. member, and the amazing proposition is that these people report that, in many instances, government hon. members said that they were not aware that these voting procedures were as unfair as they are.

Mr. Speaker, this is nonsense. In the last two sessions of this Legislature, I have had a bill in the House, and I think the hon. member for Bruce (Mr. Whicher) has had a bill to change this very voting procedure. That any hon. member of this House, including the hon. member for Perth, should make the statement that he did not know of it, means that he was not in the House when the matter was discussed, and voted down by the government supporters. In fact, to give hon. members an idea as to how the farmers feel with regard to the present voting requirements, I will quote another paragraph from this *Rural Co-operator's* story on December 10, reporting on the meeting with the hon. member for Perth riding:

In criticizing the clause in the voting regulations which permits people to register negative votes by staying at home, James Haggerty of Logan said this stipula-

tion practically kills any chance of getting a fair vote, and the Act with this clause is like selling a boar and castrating it first.

Now, Mr. Speaker, that is rather an earthy way of putting it, but the *Rural Co-operator* reports that this is the view of the farmers. I submit to the hon. Prime Minister and to hon. members of his party, that they might examine this view.

Hon. Mr. Frost: I agree with them too. I agree with the farmers. After all it was a lot of experience and the last little while I disagreed with it strongly.

Mr. MacDonald: Well, the hon. Prime Minister had better go and talk to the Ontario Federation of Agriculture and all the people on this particular point.

Mr. Robson: That is only one point of view.

Mr. MacDonald: There was another interesting point which emerged from this meeting of the hog producers on November 4, and that is the revelation, to this meeting of hog producers, that one reason why the hon. Minister of Agriculture called a vote at this time in the hog marketing scheme was because the agricultural committee of the Conservative party had met and had voted unanimously that the hog producers should be put to the test immediately.

Hon. Mr. Frost: Who told the hon. member that?

Mr. MacDonald: I will tell the hon. Prime Minister who told me. I was one of about 300 delegates and visitors to this meeting who listened to a Mr. Milligan, who is now the Conservative member federally for Prince Edward-Lennox.

Mr. Robson: Was he at the meeting?

Mr. MacDonald: Yes, he was at the meeting. Was the hon. member for Hastings East there, or was he asleep?

Mr. Robson: At the meeting that the hon. member was just talking about, now, was he at that meeting?

Mr. MacDonald: He was at that meeting. In speaking to the meeting he reported —

Mr. Robson: He goes from one meeting to another.

Mr. MacDonald: I am talking about the meeting at the Lord Simcoe Hotel on November 4, when Mr. Milligan rose and said that one of the reasons why the government was forced to call this vote now was that

the agricultural committee of the Conservative party had voted unanimously that it should be held now. And Mr. Milligan told me personally—

Interjections by some hon. members.

Hon. Mr. Frost: May I say to the hon. member that I never heard of an agricultural committee. We are an agricultural party and I never heard of such a resolution.

Mr. MacDonald: I will tell the hon. Prime Minister exactly what happened, and maybe the hon. member for Hastings East can recall it. Mr. Milligan got up and said that the agricultural committee —

Interjections by some hon. members.

Mr. MacDonald: Mr. Speaker, would you please try to cut off the draft here? This is exactly what happened. Mr. Milligan, as a member of the hog board, which he is, and now a Conservative member for Prince Edward-Lennox, was trying to explain to the farmers why the vote had been called now. He explained that one reason why the hon. Minister had been forced to call a vote, was that the agricultural committee of the Legislature had voted unanimously for it.

Interjections by some hon. members.

Mr. MacDonald: Just a minute now. Just a minute, please.

An hon. member: He has had enough.

Mr. MacDonald: And I am going to have much longer. The hon. Prime Minister has taken an hour of my time. I have had an hour, and he has had an hour, and I will go on until I am finished if it takes us on into tomorrow, I can assure the hon. members.

Mr. Milligan got up and he said that the agricultural committee of the Legislature had voted unanimously in favour of this vote. Since I am a member of the agricultural committee of the Legislature, I knew this had never happened, so I went to some of the people who were at the head table and I subsequently talked to Mr. Milligan, and he said: "I made a mistake, it was the agricultural committee of the Conservative party."

Interjections by some hon. members.

Mr. MacDonald: The reason why I am bringing it up is because I want to find out who are the friends of the hog producers?

Some hon. member: The Ontario government.

Mr. MacDonald: In fact, since I am under no confidences to Mr. Milligan, I will repeat this one thing further, that Mr. Milligan said that the hon. Minister of Agriculture had confirmed this just that week, that the Conservative rural hon. members of this House had voted unanimously for a vote in the hog producers' association. So now we find out who are the friends of the hog producers.

Hon. Mr. Frost: What I told the hog producers was, that many hon. members of the Legislature were very much concerned over this controversy, and that they felt that the whole hog problem should be brought out into the open and there should be a vote. I might say that that is the feeling of a great many rural members of this Legislature at the present time.

Mr. MacDonald: I agree it is, and they are mostly Conservative. In other words, what has happened is, that many of the Conservative rural hon. members of this Legislature have listened to the pressuring and the lobbying of the packing companies until they are more willing to defend and accede to their demands than they are to protect their own hog producers back home.

That is exactly it. The hon. members think I am joking? All right, let them just hold their fire. Here is another report in the *Rural Co-operator* of January 14 — an article on the hog marketing reports available as a result of the representations which were made by the various country representatives of the hog producers when they went to visit their local hon. members.

I should say that in most instances the article relates that they got a very warm reception, and discussed the matter with the local hon. members. But there was one exception. One county secretary writes—let the hon. Prime Minister listen to this. On January 14 in the *Rural Co-operator*, one county secretary writes:

We were not received very well by our MLA. We were disgusted. He told us that the late J. S. McLean had done more for the hog industry than the hog producers' association.

Some hon. members: It must have been a CCF member.

Mr. MacDonald: Now is that not lovely! J. S. McLean was the man who told the committee on prices at Ottawa back in 1948, that "we pay the farmer as little as we can pay, and we charge the consumer as much as we can get away with, that is how business operates." That was the philosophy of Mr.

J. S. McLean, and yet one of the hon. members stated that, in his opinion, the late J. S. McLean had done more for the hog industry than the hog producers' association.

Now, Mr. Speaker, I have checked and double-checked this, and I will tell the House who that member was—and I wish he were in his seat so I could say it when he is sitting here. That is the hon. member for Peel (Mr. Kennedy).

I was out last Saturday to a nominating convention in Peel and I learned of this. Although it was embarrassing to those involved, I checked and double-checked and to my certain knowledge, this is true.

Mr. Lavergne: Let the hon. member get out of the gutter.

Mr. MacDonald: This is the fact. I am not in the gutter. I am right down with the facts, and some hon. members are squealing like some of the hogs we are trying to protect.

Hon. Mr. Frost: My good friend, the hon. member for Peel, "Tom" Kennedy, is not in his seat, but the inference that Tom Kennedy has, in his lifetime which has been devoted to the farmer and the development of farm marketing legislation and is the father of it, as a matter of fact, taken the position against the farmer is so patently ridiculous that I do not think this argument is worthwhile pursuing.

Mr. MacDonald: Let the hon. Prime Minister just go ahead and check, and he will discover that this is an authentic report coming from the county. Mr. Speaker, I will agree with you, that when I was first told which hon. member had made the comment I said "I do not believe it." Let me be very frank. There are some hon. members of this House of which I would have believed it, but I am sufficiently—as the hon. leader of the Opposition said yesterday—sufficiently under the spell of the affability of the hon. member for Peel that I quite honestly did not believe it.

Hon. Mr. Frost: Does the hon. member believe it now?

Mr. MacDonald: I have no reason not to believe it, as I have checked and I am assured that it is the case. And this is the only conclusion I can come to.

Here is the problem. I want to suggest this to the hon. Prime Minister, that we are not faced in the province of Ontario at the present time with a crisis in farm marketing. We are faced with a crisis of confidence in the Conservative party with re-

gard to farm marketing. We are faced with it for this very simple reason, that the Conservative party, made up of free enterprisers, has very great difficulty reconciling its nineteenth-century beliefs to the concept of planning.

Hon. Mr. Frost: May I ask the hon. member if he would read over tonight the return in the rural subdivisions in ridings of the last 5 by-elections which have taken place? Would he like to read them over and see what the farmers think of the Tory party?

Mr. MacDonald: I agree with the hon. Prime Minister, that up till now he has had the rural vote. Why he has it, I am a little puzzled, but the day will come.

Interjections by hon. members.

Mr. MacDonald: I submit to you, Mr. Speaker, that the crisis is not a crisis in farm marketing among the farmers, because here is the acid test, and this is the thing I want to draw to the attention of the hon. Prime Minister.

Our farm marketing legislation stipulates that if there are 10 per cent. of the producers involved who sign a petition, there will have to be a vote. Now, did the people who were opposed to the hog marketing scheme try to get a petition? We can bet they did. Did they get the 10 per cent.? No!

Hon. Mr. Goodfellow: I have that petition in my office —

Mr. MacDonald: Yes, the petition the hon. Minister has was secured by putting it in barber shops so that everybody and his aunt could sign it. The people who were opposed to the hog marketing scheme could have used this legitimate means that is within the regulations, but they were never able to get the 10 per cent. of hog producers in any way that was acceptable. I do not think the hon. Minister ever predicated his call for a vote on the proposition that he has—this “phoney” kind of petition.

My final plea with regard to this—because it is implicit in the story of the hog producers—is that if the producers of this province are going to be able to move—from what Mr. Broderick drew to the attention of the Minister—to move from merely putting legislation on the statute books to a position of implementing that legislation with effective machinery, the government has got to stand with them. It has got to end these rumours about possibly withdrawing from the farm marketing scheme

and stand by the farmers, not just by words, but by actions.

I would submit, in conclusion on this issue, that the government, if it is not going to hold a vote on the hog marketing scheme, should immediately inform the hog producers that they are not holding it.

What is the reason for continuing this period of uncertainty which, in one form or another, has gone on for the last 5 or 6 years, so that, even now, the hog producers do not know whether they are having a vote or not at the end of March?

I know the government is not going to hold a vote, and I will tell hon. members why. Because they have not yet started to compile the voting lists, and it is a very big job. They simply cannot hold the vote by March 31, and if the hon. Prime Minister is correct that they are not going to hold it, why does he not “come clean” with the hog producers and remove the Damocles sword that is hanging over their heads and announce that the vote is postponed?

As far as the hog producers are concerned now, they are faced with the vote, and therefore they do not know whether to put all their energy into preparing for a vote or whether they should put their energy into completing their plan.

Hon. Mr. Frost: There is not any vote on the hog plan contemplated for March 31 and there is not going to be one. The hon. member is mixing that up with another vote on March 31.

Mr. MacDonald: Now, Mr. Speaker—

Hon. Mr. Frost: Furthermore, the hon. member is in the depths of depression. May I point out that just a short time ago, a week or ten days ago, a vote was held on another province-wide commodity of wheat. Now, they met the conditions of the vote, and it carried overwhelmingly. I would think that that is a very successful result of the legislation of this government.

Mr. MacDonald: Bravo for the wheat farmers. They got out and did it themselves. All I am saying to the government is that if the government is not planning to hold a vote, as the hon. Minister indicated last October, if they are not planning to hold a vote in March or May, it is only common decency that they clarify this issue so that the hog producers will know it. And they have not clarified it. The hon. Prime Minister may think that they have, but they have not, and the hog producers today are faced with this prop-

position—do they devote all their energy to the monumental task of organizing a vote, or do they devote their energy to trying to get the rest of their plan set up, when they have only 15 of the 42 counties at the present time included in the plan?

Now, Mr. Speaker, the time is going on, so I am going to leave aside one whole issue here. I was planning to deal with pipe lines in this province, but there is not going to be any time to deal with it, and I want to come to the final subject of my comments which I would have completed about 5 o'clock if the Prime Minister had not taken about half of my time.

Mr. Lavergne: The hon. member has taken too much time already.

Mr. MacDonald: Let me assure the little "tycoon" from outside of Ottawa that I am going to go ahead. I want to speak now, Mr. Speaker, finally on the topic which is conceivably the most important issue facing the people in Canada. Undoubtedly it is going to bulk very large in this federal election campaign, and that is the whole question of unemployment.

I was rather interested in looking through my files, a day or so ago, in preparation for this speech, to come across a clipping. It is entitled: UNEMPLOYED WORKERS ARE THE CHIEF VICTIMS OF THE FREE ENTERPRISE STATE. Let me read two or three paragraphs here:

Unemployment, it seems, is the price we must pay for our free enterprise system, and if this is so, and the record leaves very little doubt about it, then the victims of unemployment are deserving of much greater justice. Workers fail to see why they should continue to be the chief victims of our free enterprise system.

Unemployment is the cancerous sore in our free enterprise society, and if we really believe in our free enterprise society, if we really believe that it should be preserved, then it behooves us to stop talking about unemployment in terms of only 300,000 people, or 5 or 6 per cent. of the labour force are out of work.

We need to recognize that perhaps 1 million people are dependent on the incomes of 300,000 unemployed, and the welfare of 1 million people cannot be safely organized or ignored in any society.

Now hon. members will be interested to know that that is a quote from the financial pages of the *Toronto Daily Star* on June 11, 1954, over the byline of Beland Honderich,

then financial editor and now editor-in-chief. I submit, it is a very apt quotation.

The second quotation I want to make is from a United Auto Workers' document called A PROGRAMME FOR FULL EMPLOYMENT IN CANADA. The first two paragraphs are as follows; and I think this sets this whole question in its correct context:

The Canadian people today face a major challenge, that of proving that in a free society we can maintain full employment in peacetime. In the world struggle between the forces of dictatorship and freedom, it is our responsibility to prove that freedom of economic security can all be achieved together.

Communist propaganda constantly claims that full employment is not possible in a free society, and that economic security can be won only through acceptance of dictatorship and regimentation.

On the other hand, reactionary representatives of business would like us to believe that recurring unemployment and economic hardship are the inevitable price we must pay, and should be willing to pay, in order to preserve our freedom. We, in the United Auto Workers—

and as far as I am concerned, we could say, we in the CCF—

reject both of these false theories. We believe that a democratic system can and must provide for all its citizens the means to achieve economic security and a constantly rising standard of living. We believe that the final test of a free society is its ability to offer every worker opportunity to work.

Now I repeat, Mr. Speaker, I think that sets this whole problem of unemployment in its correct context—a challenge to free society in the kind of world we are living in today.

What I want to draw to the attention of the House, as I listen out on the hustings to Liberals claiming that this is another Tory depression, and as I come into the House and listen to the hon. Prime Minister doing his desperate best to try to counter that yesterday by the claim that this is a Grit depression—the old pot-calling-the-kettle-black kind of proposition once again—is that if you want to look at the record of the last 10 years with the Liberal government, when they were in power, and the last 7 or 8 months when the Conservatives were in power in Ottawa, it is almost uncanny how exactly those records duplicate each other.

For example, at the end of the war—Liberals forget this now—at the end of the war, we had unemployment. Every winter, 1946, 1947, 1948, 1949 and 1950, unemployment rose in this country. Every winter it reached a new peak and by the winter of 1949 and 1950 it was beginning to reach something like 500,000 people.

But the Liberals had an answer. They did not use the answer, but they had an answer. What was their answer? A programme of public works. And I suppose if we go through federal *Hansard* we can find at least 100 times between 1945 and 1949 that members of the House of Commons, usually CCF members, rose and asked: "What is on this shelf of public works? How much is on it? What portions of the country is it directed to?" They could never get an answer. The great C. D. Howe was just about as evasive as some other politicians we have to deal with here. They could not get the answer from him.

In 1945, the Liberal party fought an election in which they said our answer to unemployment is a shelf of public works. In 1949 they fought another election in which they said their answer to unemployment is a shelf of public works. Then, Mr. Speaker, after they had deceived the people of this nation throughout two elections, in 1952 the Rt. Hon. Mr. St. Laurent rose in the House of Commons on one occasion and stated that they had come to the conclusion the concept of public works was not workable, and therefore they had to abolish it.

Now this was quite a miracle—they abolished the mythical shelf which had never really existed. But at least we knew where they stood. The Liberals had no programme as far as coping with unemployment was concerned.

Now, what I want to draw to your attention, Mr. Speaker, is just how uncanny is the duplicate of this in the last 7 or 8 months of Tory government. Last fall we watched unemployment rising across this nation, and in this province of Ontario, in a very alarming fashion. What was their answer?

Well, I will tell hon. members.

First, the answer, for example, from a good Tory spokesman outside the House, the *Globe and Mail*, the answer was that when Dr. Eugene Forsey predicted that by March we would have 500,000 people out of work in Canada, the *Globe and Mail* in its news column headed the story "500,000 JOBLESS SEEN IN MARCH," with a snide little head up in the corner, "A Gloomy Forsey."

It is now clear how gloomy he was—he was just so realistic that within 3 months, by the end of the year, with 3 more months to go before we get to March, his figures were vindicated, even if you take the lower Dominion Bureau of Statistics figure, which revealed that there were 499,000 people out of work at the end of December.

Furthermore, the *Globe and Mail* wrote editorially that men who go around and talk depression like this are "disloyal" and such talk is "almost sedition." This is "bunk."

Let me give another example. The hon. Prime Minister of Ontario as reported on December 20, gave a speech. I want to give the context in which he delivered this speech, because this is delightful.

Every year we set a Christmas tree up down on the landing here on the stairway at Queen's Park. It is a very heart-warming tradition. We set up a Christmas tree, and we put flowers on either side of the stairway and the civil servants gather and sing Christmas carols. They broadcast them over one of the local radio stations, and, of course, the hon. Prime Minister is brought in—I do not say this critically—for one of his little speeches.

Within the shadow of the Christmas tree, with this all-prevailing spirit of peace on earth and goodwill to all men—I was not there on this occasion—the hon. Prime Minister undoubtedly with his characteristic gesture threw out his hands, and what did he say? "People who talk depression in this country ought to know better. That sort of thinking should be abolished from our minds."

This was on December 20, when the figures now indicate that they were just 500,000, or if hon. members want to take the other figure, 800,000 people out of work.

Hon. Mr. Frost: I say to the hon. member what I said yesterday afternoon.

Mr. MacDonald: Exactly. And when the hon. Prime Minister writes, as he undoubtedly wrote it, or somebody close to him, for His Honour to read in the Throne speech, that we should not regard this problem of unemployment with complacency, that is precisely what this government is doing.

Yesterday, the hon. Prime Minister replied to the hon. leader of the Opposition—and I draw this to your attention, Mr. Speaker, significant as it is—that the hon. Prime Minister got up yesterday and took part in this debate and not once did he mention unemployment. The hon. leader of the Opposition had dealt with this issue. It was significant that in the hon. Prime Minister's opinion, unemployment was

not worthy of discussion. "Dismiss it, just bury your heads in the political sand and adopt the proposition if you want to get rid of unemployment, just talk prosperity."

I have just as much faith in the future of this country as the hon. Prime Minister has, but the hon. Prime Minister is not doing any service to the problem that we face in this country now by sticking his head like a political ostrich in the sand and ignoring this question of unemployment and scolding people who may draw his attention to it.

And that is precisely what he did. Not only did he do it, but hon. Mr. Diefenbaker did it too. Hon. Mr. Diefenbaker has claimed that this is "just a pause" in the onward expansion of this country—a momentary pause.

But in any case, to indicate the parallel, Mr. Speaker, all last fall when the Conservative government at Ottawa and the Conservative government at Queen's Park had their heads in the political sands, and were doing nothing about it, there was a further event in the House of Commons at Ottawa which shows how precisely the Tories were following the Liberal pattern. Here is a story that was in the *Toronto Daily Star* on November 22. It is headed **WON'T LAUNCH PUBLIC WORKS**.

Listen to this, if hon. members can believe it. "Won't launch public works," hon. Mr. Green warns:

The Conservative government yesterday flatly rejected the idea of a federal public works programme to curb Canada's soaring unemployment. The hon. Howard Green, Public Works Minister, declared he had no intention of launching an over-all programme of public works. Mr. Green said the suggestion was "quite impossible," and blamed the former Liberal government "for failing to leave the Conservatives a nice big programme of public works on the shelf."

Five years after Mr. Green heard, himself, the official obituary on the public works programme pronounced by the hon. Mr. St. Laurent, Mr. Green rose and berated the Liberals for not leaving him a programme of public works. Furthermore, Mr. Green declared a programme of public works was "quite impossible."

Now, two months later, two months in which even the politically blind—and these are the Tories—had to face the facts. In the month of January we have public works being issued from Ottawa every day. I noticed one newspaper man described them the other day as a "slush fund" of public works, and it is a pretty accurate descrip-

tion. A slush fund of public works. Every day there is another new addition of public works, and faithful supporters of the Conservative party like the *Globe and Mail* play up every little public works, giving it a headline in the front page, trying to secure political "kudos" for the Conservative party with an election coming.

Hon. Mr. Frost: How could we go about really pleasing the hon. member for York South, anyway?

Mr. MacDonald: I will say this, that when the hon. Prime Minister gets up yesterday and does what the Conservatives up at Ottawa did, berating the Liberals for having a secret document and not facing the facts last April or May before the election, the incredible thing is that he is arguing against himself.

The hon. government members all refused to face the facts, here and in Ottawa, 8 months later when unemployment was rising right under the government's nose.

Hon. Mr. Frost: I would say to the hon. member that we have gone all out, we have in effect right now one of the greatest building programmes in the history of this or any other jurisdiction. We settled with the municipalities. I am only pointing out—

Mr. MacDonald: Two of the officials of the federal government came down to the city of Toronto to make speeches on succeeding nights. One of them was the other half of the great Maloney family, the assistant to the hon. federal Minister of Agriculture, and on the succeeding night, the hon. Michael Starr came down into the city.

Mr. Maloney: He is not the assistant to the Minister of Agriculture. As usual, the hon. member is wrong.

Mr. MacDonald: I am sorry. In the hon. member's presence, I am almost persuaded. I should have said "Labour".

When Mr. Maloney rose, speaking to a meeting of unemployed down in St. Columbus Hall, the *Globe and Mail* reports him the next day, "MP says that the spending"—this is all the great programme of the Conservative government at Ottawa—"means 100,000 jobs". This is January 30.

Now, just to show how wonderful this Conservative party is, the very next day Mr. Starr came into the city and made a speech, and the headline is: **STARR SAYS JOBS CREATED FOR 270,000**. So within 24 hours the figure for whom they had made jobs had gone up from 100,000 to 270,000.

Mr. Maloney: Mr. Speaker, on a point of order. The hon. member commented on this to me after my brother had made the speech to which he now refers, and I took it up with him after Mr. Starr had made his speech, and as usual the hon. leader of the Socialist party, in his anxiety to distort the facts, has forgotten to mention to this House that the Parliamentary assistant to the hon. Minister of Labour was talking about an entirely different matter of providing jobs than was the hon. Minister of Labour.

Mr. MacDonald: Presumably, that is an effort of the big brother to protect the little brother, and it is very commendable, but if I am misrepresenting it—

Interjections by some hon. members.

Mr. MacDonald: Within 24 hours, Mr. Speaker, the figures from the same people, who were trying to make political capital out of it, had gone from 100,000 to 270,000, and I submit if the hon. member wants to read these stories, he will find if I am misrepresenting it, I am drawing my misrepresentations from the usually accurate reports of the *Globe and Mail*.

An Hon. Member: Why doesn't the hon. member for York South run against him in Parkdale and see what happens?

Mr. MacDonald: I would suggest, Mr. Speaker, that these figures are just political confetti thrown in the eyes of the Canadian people at election time. What I want to mention about this public works programme, which belatedly the Conservative party has come around to at Ottawa, is this—that it cannot meet the needs of the unemployed this winter. It cannot for the very simple reason that a public works programme takes weeks, months, in fact, considering the Toronto subway, it may take years of planning, of development and preparation and of calling for tenders before it can be put in effect.

If the government at Ottawa wanted to do something about the needs of the unemployed this winter, they should have been launching this programme of public works last fall when, instead, they had their heads like political ostriches in the sand and their hon. Minister of Public Works was saying that it was quite impossible to launch this kind of a programme.

This programme of public works, Mr. Speaker, is launched for one purpose only, and that is to try to get the Conservative party votes on March 31. It cannot meet the needs of the unemployment this winter. He

may meet the needs of the unemployed next winter.

But, returning to Ontario, what has this government done? Certainly the hon. Prime Minister says he has a great programme of construction, but he had that programme of construction as part of the development of this province before unemployment arose. What has he done since then?

I will tell hon. members what he has done. Nothing. This government sits in smug complacency which their actions, instead of the fine words of the speech from the Throne, document.

Further the hon. Prime Minister got up yesterday and unwittingly confirmed the air of complacency, because, in a province with hundreds of thousands of unemployed, he rose even after the hon. leader of the Opposition injected this important issue into the debate, and he did not even mention it. He did not mention it simply because it is not uppermost in his mind.

Hon. Mr. Frost: The hon. members talked me out, they did not give me enough time. I only had an hour, the hon. member has had three hours.

Mr. MacDonald: If the hon. Prime Minister was talked out yesterday, he is certainly taking his time today.

Now, I want to suggest, Mr. Speaker, to this government, that it is about time it shrugged off this complacency and did something about it.

If we are going to meet the needs of the unemployed even in the short-term sense of public works—as for the long-term sense of economic planning this government just cannot even comprehend that, and I am not even going to try to—in the short-term proposition of public works, it is time this government started to do something, even if belated. It may meet the needs of the people next winter, if not this winter.

By way of example, I want to draw one or two suggestions to the attention of the hon. Prime Minister, of the hon. Minister of Public Works (Mr. Griesinger) and the hon. Minister of Labour (Mr. Daley).

Four or 5 years ago this government, facing a provincial election, put on a great display in the papers of doing something about low-cost housing. In fact, suddenly we were led to believe that this government had acted—they had gone out and expropriated almost 2,000 acres out at Malvern, to build low-rental housing.

Mr. Speaker, almost 5 years have gone by and there is not a single house built. Not

only is there not a single house built, but this government and its Department of Planning and Development have indicated to the farmers who are on it, that they can occupy the land for the next year or so.

Hon. W. M. Nickle (Minister of Planning and Development): May I just interrupt the hon. member?

Mr. MacDonald: No, the hon. Minister may not. He may have a chance when he comes to his department. If there is one person I do not want to be interrupted by, it is the hon. Minister of Planning and Development. If he wants to correct me, he can correct me some time when he gets himself unwrapped from the flag—

Mr. Speaker: Order!

Mr. MacDonald: Out in Scarborough, I draw to the attention of the hon. Prime Minister, that near Orton Park there are 93 acres of, in this instance, serviced land. Why is there not action to do something about this?

I submit to you, Mr. Speaker, that not only do we have a desperate need for low-rental homes, which will bring housing within the grasp of the majority of our people; not only do we need to put people to work, but if this government would do something other than pay lip service to low rental-housing, it could bring an end to this practice of housing by headlines. That is all that was done in 1953 with Malvern. And no unemployed, or anybody, can live in a headline instead of a house. If the government would get out and do something about low-rental housing, they would meet the needs of the unemployed. They would bring homes of a genuine low-cost level within the reach of the majority of people.

Furthermore, if they did something on an extensive basis, they would provide a yardstick to check the fantastic inflation of land cost that is still going on. They could buy the land at the price before it is inflated and they could build, make these homes available on the market, so that the profiteers who are in the home building business would be forced to bring their prices down.

For example, Mr. Speaker, this is the sort of thing that is now going on. The government at Ottawa boasts about the fact that it has made available \$300 million for housing. I want to suggest that much of it, I do not know how much, but a very significant proportion of this, is public monies which is being poured into a maintenance of, and increase of, the inflated land values.

It comes by this simple process: A man will go out and buy a certain number of

acres of land for, say, \$10,000 per acre. Then he sells that land to his own right hand, so to speak, in the form of a corporation for, say, \$35,000 an acre. Then, on the basis of this price, which he himself has inflated, he goes to the government at Ottawa and he gets money to proceed with the home construction programme on the basis of 90 per cent. of the cost.

In other words, 90 per cent. of this inflated land value, which he himself has inflated, comes out of public funds.

Now this is the kind of thing which I think this government and other governments have got to face up to some time soon. I would make just one suggestion—and I will not go any further than this one suggestion this afternoon—that if the government wants to do something about unemployment, that to get rid of its complacency, it fulfil this great promise of low rental housing that it made years ago, that it get out and build not a few hundred, but it build thousands of low-cost homes every year. It is for that reason, in conclusion, that I want to move a sub-amendment to the amendment moved by the hon. leader of the Opposition, seconded by Mr. Thomas, that the amendment to the motion—

Mr. Maloney: Mr. Thomas is not in the House. The seconder of the amendment is not in the House.

Mr. MacDonald: Seconded by Mr. Gishorn.

Interjection: Oh, I see.

Mr. MacDonald: These lawyers have a field day on technicalities.

That the amendment to the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor now before the House be further amended by adding to sections 1 and 2, so that the sub-amendment will read as follows:

That this House regrets the government has failed to:

1. Take any effective action to meet the rising unemployment in Ontario,

(a) through developing presently-owned properties such as Malvern, and acquiring more land, for a greatly expanded low-cost housing programme so that not only work will be provided, but inflated land values will be checked and the cost of homes brought within the reach of a majority of our families.

2. Correct the ever-worsening condition of our agricultural industry,

(a) by actions, as well as words, in co-operating closely with all commodity groups to build effective marketing machinery; and

(b) by dispelling the uncertainty concerning the hog marketing plan with an immediate announcement of postponement of the vote until at least one year after the plan has been in full operation.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, I do not want to quibble over technicalities, as the hon. member has just said, but I have never known an amendment to an amendment to be couched in this language, and it seems to me that that is not an amendment to the amendment at all.

Surely, by an amendment to an amendment, one cannot add to the very motion that we moved in the House yesterday. The motion cannot be rearranged. That stands by itself and this seeks to interpret it on the one hand, to add to it on the other, and change it in some instances. May I suggest, Mr. Speaker, that it is really not in order.

Mr. MacDonald: Mr. Speaker, before you make a ruling on this, may I recall to your mind a previous ruling of Your Honour last year on a resolution which I moved dealing with the student aid fund.

An amendment was moved by the opposite side of the House which took the original concept which I had suggested, namely, that a student loan fund should be set up, and added to it by saying that instead the bursary committee should be expanded to include the student aid fund and any other monies that may come in. Your ruling at that time was that this was a legitimate amendment.

I submit this is identical. What it has done is to take the two particular clauses in the amendment which was moved by the Liberal party, by the hon. leader of the Opposition, and it has added significant portions.

Mr. Oliver: Well now, Mr. Speaker, just for the first time I have this new amendment to

the amendment before me, and No. 1 says "take any effective action to meet the rising unemployment in Ontario." That is our amendment to the speech from the Throne.

Now my hon. friend uses this, grabs on to that, incorporates it in his own, and adds something to it, calls it his own, and says it is an amendment to the amendment.

Well now, Mr. Speaker, really! No. 2 is exactly the same. He says, "correct the ever-worsening position of our agricultural industry." These are exactly the same words that we used in our amendment to the speech from the Throne.

Now, I suggest to you, Mr. Speaker, that by no stretch of the imagination can my hon. friend borrow completely what we said in our amendment, include it in his, and add to it. I suggest that that conflicts with any rules of the House that I have ever known in my time, and I would like you to rule on it, Mr. Speaker.

Hon. Mr. Frost: Mr. Speaker, might I add to this. My own feeling was that, being a country lawyer, I would offer my services to the hon. member for York South to see if I could not compose this matter for him, but I can see that there are too deep difficulties for me to intervene, and I may make this suggestion, that you take the points raised by the hon. leader of the Opposition into consideration and the matter could be determined by you at a subsequent time.

Mr. Speaker: The sub-amendment having just been brought to my attention, I would suggest that it be left over until the morning, and I will have a look at it and be able to give a ruling by tomorrow afternoon.

Mr. R. Macaulay (Riverdale): Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I move the adjournment of the House, and tomorrow we will proceed with this debate.

Motion agreed to.

The House adjourned at 5.55 of the clock, p.m.



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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, FEBRUARY 13, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petitions have been received:

Of the executors and trustees of the Melville Ross Gooderham Estate, the Kathleen Isabel Drope Trust, and the Charlotte Ross Grant Trust praying that an Act may pass permitting the petitioners to sell 68,000 shares in the capital stock of The Manufacturers Life Insurance Company to the said company.

Of the corporation of the city of Niagara Falls praying that an Act may pass authorizing a pension plan for employees of the corporation, boards thereof, and their families; and for other purposes.

Mr. Speaker: Presenting reports by committees.

Motions.

Introduction of bills.

THE TOWNSHIP OF GRANTHAM

Mr. A. Jolley moves first reading of bill intituled, "An Act respecting the township of Grantham."

Motion agreed to; first reading of the bill.

THE TOWNSHIP OF LONDON

Mr. W. A. Stewart moves first reading of bill intituled, "An Act respecting the township of London."

Motion agreed to; first reading of the bill.

THE INVESTIGATION OF TITLES ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to amend The Investigation of Titles Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill merely changes a name in the Act in order to conform with the new Certification of Titles Act, 1958.

THE INSURANCE ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Insurance Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill has some technical changes in it. It will go to legal bills committee for clearer discussion, and all that I would say at the present time is that it does not change policy in any way, but does try to define some of the more difficult terms that have been brought into use by such things as nuclear energy and explosions caused by it.

THE STRATFORD SHAKESPEAREAN FESTIVAL FOUNDATION IN CANADA

Mr. J. F. Edwards moves first reading of bill intituled, "An Act respecting the Stratford Shakespearean Festival Foundation in Canada."

Motion agreed to; first reading of the bill.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1. Third annual report of the Ontario telephone authorities of the province of Ontario for the year ended December 31, 1956.

2. Annual report of The Department of Reform Institutions of the province of Ontario for the year ended March 31, 1957.

Mr. Speaker: Orders of the day.

Mr. J. Yaremko (Bellwoods): Mr. Speaker, before the orders of the day, I rise on a point of personal privilege. In today's issue of the Toronto *Daily Star* there is reported a statement by Mr. Cleve Kidd, president of the Ontario Federation of Labour, and I am quoting in part from the article as it appears in the *Star*. Mr. Kidd said:

In recent weeks (Conservative) members of the select committee have forgotten their

obligations to investigate The Labour Relations Act in order to make way for a parade of witnesses who contribute no constructive suggestions for labour peace, but who have been using the committee as a protected rostrum to smear labour.

That article is headed: PROBE OF UNION POLITICAL NOT JUDICIAL—KIDD.

Mr. Speaker, until this article appeared this afternoon, I have had a great deal of respect for Mr. Kidd, both as an individual and by reason of the very high position which he holds by virtue of his office as president of the Ontario Federation of Labour, perhaps the largest organized union group within the province of Ontario.

Mr. Speaker, I say to Mr. Kidd and to the hon. members of this House, that statement of his is completely irresponsible and completely false. Indeed, if one is to speak of political statements, I have never seen a statement which is more political than that of Mr. Kidd, because he would have the people of Ontario believe that only the supporters of the Ontario Federation of Labour, and those whom they support, are friends of labour, and that hon. members of the Conservative party would be parties to smearing the labour movement.

Nothing could be further from the truth, Mr. Speaker. And I say to Mr. Kidd that there are as many friends of labour outside as inside the Ontario Federation of Labour, and the political organizations which they support. Indeed, statements of this kind do not lend one to believe that Mr. Kidd is a true friend of the trade union movement, because smearing others does not win support for those of whom he alleges to be a friend.

Mr. Speaker, the hon. members of the select committee, all the hon. members, have had nothing to do whatsoever about the appearance of anyone before the committee at any time with the exception of one individual, Mr. Dodd.

At the beginning of our hearings, public notice was given to everyone within the province who wished to appear before the committee to do so, and to present briefs. No limitation on anyone was placed as to who should appear, and no limitation was placed on what they would say before the committee. This is a democracy and everyone is entitled, whatever his opinion is, to appear before a group set up by the Legislature of Ontario for a specific purpose, everyone is entitled to appear and express his opinion. None of the hon. members of the committee, neither the Conservative, CCF, nor the Liberal hon.

members had anything to do with who was to appear before the committee or in what order or when they should appear. We gave, I believe, a fair hearing to all.

That statement, Mr. Speaker, is completely irresponsible, because if there is any one man within this province, outside of the hon. members of the committee themselves, who should be familiar with all the proceedings of that committee, it is Mr. Kidd himself, and if he has not been aware of all the proceedings from start to finish of that committee, he has been neglectful in his duty, and if he has been following the proceedings, then he knew that this statement which he was making was completely false.

Mr. Speaker, in reference to the matter of the recommendation of the committee to the hon. Attorney-General in regard to certain charges which were placed before the committee, as the hon. Mr. Roberts pointed out to this House, that was the recommendation of the whole committee, the all-party committee, with the exception of one, who voted against the resolution, not because he did not think that an investigation was warranted but because he thought that the committee itself should make it.

An all-party committee made up of the CCF, the Conservative and Liberals, joined in that recommendation to the hon. Attorney-General. Why did they do so, Mr. Speaker? Because very serious charges had been made and, if they were false, then those against whom those charges were made were entitled to be cleared, because it would not be fair for presentations of that kind to be made before the select committee, nor to be read into the record without the parties against whom those charges were laid, having the fullest opportunity of appearing before someone and giving their side of the story.

If they are false, those against whom the charges have been made are entitled to have them proved false. If they are true, then the people of this province have a right to know what the facts are.

When Mr. Kidd speaks about Conservative hon. members of the select committee having forgotten their obligations in recent weeks, nothing again could be further from the truth, because each of the Conservative hon. members of the committee, as also other hon. members of the other parties involved, have attended loyally and faithfully. Indeed, at the latter part of their hearings, they sat earlier than any other committee and later than any other committee has sat in order to give the fullest expression of opinion to everyone who wished to appear before the committee.

Mr. Speaker, I say to Mr. Kidd that this nonsense which he would like to spread, that only on his side of some kind of a fence are there friends of labour, should stop, and if he is a responsible statesman in regard to the trade union movement—and we should have, and I believe we do have, statesmen within the trade union movement—then he should stop spreading this type of political propaganda, because, as a matter of fact, he should know by now that the people of Ontario have not been, and will not be, fooled.

They know that in the hon. Prime Minister and the hon. Minister of Labour and within the membership of this House, there are friends of labour to be found on all sides, and this nonsense which Mr. Kidd would have spread, by reason of statements of this kind, I suggest to him should stop once and for all, because the people in the trade union movement are entitled to know that they have friends in all walks of the community.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, with your permission, I would say that I concur in the remarks of the hon. member for Bellwoods with respect to the work as I have observed the committee, but I also was coupled in this charge. I see, as published in the *Toronto Globe and Mail*, the last paragraph says:

We cannot help but believe that the Attorney-General's decision was political, not judicial.

I would like also to say before the orders of the day that if there was any Act that I ever recommended that was not political, I think this was one. I could very well have said to the committee, "This is a matter that you have power to investigate, now you call the witnesses and proceed with an investigation."

If that had been done, it might have been open to a charge of playing politics, but when this was placed on the recommendation of myself by the government in the hands of a Royal commissioner, a justice of the high court, a justice of the court of appeal of Ontario, and a man who has had vast experience in this field, I feel without any question that it is placed in the best possible place for a non-political hearing and a non-political finding.

Mr. J. A. Maloney (Renfrew South): Mr. Speaker, I suppose, as chairman of this committee, it might be proper for me to say a word upon this matter that has been brought to the attention of the House by the hon. member for Bellwoods.

I think it should be read in the light of the fact that apparently Mr. Kidd is of the school which believes that all is fair in love and war, and at the moment we are engaged in a war, and he and other hon. members of the party to which he belongs have for many months now been ardently wooing the great labour vote of this province, so far without success. We believe that the labour people who are notoriously fair in coming to any decision that they arrive at will continue to deal in a matter, such as the wooing to which they are subjected, so that they will scorn the wooer as they have on previous occasions.

Mr. Kidd forgets that the hon. leader of the CCF party was a member of this committee, and supported the motion to ask the hon. Attorney-General for this investigation. If it was political, then he, as well as the rest of us, are guilty of a political act trying to smear labour.

He forgets also that Mr. Thompson, the representative of the teamsters' union who was present at the time the resolution was made and carried, said that he would co-operate, and that he was anxious for such an investigation.

Mr. Casey Dodd has also communicated with the hon. Attorney-General to the effect that he will co-operate.

So I think that we should not take Mr. Cleve Kidd too seriously. I do not think he has done me any harm, and knowing the other hon. members of this committee who have worked so diligently and faithfully, let us say that Cleve was kidding.

Mr. G. C. Wardrope (Port Arthur): Mr. Speaker, we have all read with horror and sympathy of the tragedy that took the lives of two young boys over the weekend—Robert Peterson, aged 13, and James Duffy, aged 14—who died of exposure during the past weekend while on a hunting trip in the Bracebridge area. The reports of this sad occurrence suggest that they were ill-clad for this expedition.

Mr. Speaker, my thinking has been directed to how to prevent recurrences of a like tragedy in the future, how people can be informed to dress for a journey into the woods, what to do if one becomes lost, and what to do to save a life in case of accident in the forest or on the water.

I was wondering if the hon. Minister of Lands and Forests (Mr. Mapledoram) would consider compiling a booklet or pamphlet setting out these necessary items of knowledge that often become life-savers. The pamphlet or booklet could be circulated

among boys' and girls' clubs, scouts associations and any other organization that has the care of our boys and girls under its charge. It might, I hope, Mr. Speaker, prevent a repetition of this tragedy of which we just read with such deep regret.

Mr. A. Wren (Kenora): Mr. Speaker, I was not able to catch your eye earlier, but in reference to the matter which was raised by the hon. member for Bellwoods (Mr. Yaremko), I may say, as one of the other parties which were represented on the select committee, that I too saw the reference in the morning press and the remarks made by the gentleman from the Ontario Federation of Labour.

I want to say this, and I want to make it abundantly clear—and I am sure my hon. colleague on the committee representing the views I do, will agree with me—that the decision to request that this matter be referred to the hon. Attorney-General was made because we believe, my hon. colleague and I, that it was beyond the terms of reference of the committee to investigate the internal matters of the union, and beyond the terms of reference of the committee to go into matters which may, or may not be, of a criminal nature.

I agree with the hon. member for Bellwoods that, if the persons concerned were indictable for any offence, they should be so treated, and alternatively if they were innocent of the charges made, that fact too should be made public.

I share with the hon. member for Bellwoods, not because I associate myself with the political party opposite, but because I feel that the best interests of labour in this province are served better by those who are willing to first assess the facts, then demonstrate publicly if they find it necessary to do so, what the facts are, and base their judgment accordingly.

Now, the only criticism I may have of the action the hon. Attorney-General took, and I am sure that in the light of his legal experience he took what he thought would be the best kind of action, is this:

The hon. members of the Opposition are required to submit to Mr. Speaker any questions they may ask of the treasury benches. Therefore, before the orders of the day, I think it would be highly desirable if, when the treasury benches are making public statements of some import, the Opposition groups were given some fore-knowledge, or at least if the hon. leader of the Opposition (Mr. Oliver) were given some fore-knowledge, of

the statements to be issued so that they might be intelligently discussed at the time of issue.

But, generally speaking, I have, and I am sure my hon. colleague has, no disagreement in principle with the actions taken by the hon. Attorney-General.

Mr. D. C. MacDonald (York South): Mr. Speaker, I do not want to enter into the political blasts and counter-blasts that have been exchanged on this point. I just rise to draw attention to one point in Mr. Kidd's release which I submit is worthy of some consideration, and that is, if there were indictable offences, some action should have been taken, either by the people who believed they were indictable offences and if so, by the Crown Attorney in that area at the time that it all took place.

The point which has been ignored up to now in Mr. Kidd's statement is that, when this did happen, no action was taken, either by the people who felt there was indictable offence or by the Crown attorney at the time. Mr. Kidd raises the question as to why the normal processes of law did not work as they should have worked, and why at this late date something is being done to make amends for that omission.

Hon. L. M. Frost (Prime Minister): Is that not the question the judge is to answer, the very question propounded by the hon. member?

Mr. MacDonald: Certain people came before the committee and made certain statements involving violence and so on. This happened quite some time ago. If they consider it as an indictable offence taking place, the logical sequence of events was to have taken that to the necessary authorities, and the necessary authorities would have started in motion the normal procedures of the law to see that justice was done to those against whom these actions were allegedly made. The question in Mr. Kidd's statement is, why was that not done at that time in the normal process of seeing that violence is not prevalent in this country or in this province? If that had happened it would not have been necessary to raise the matter at this late date.

Hon. Mr. Roberts: Mr. Speaker, I am speaking from memory, the facts of which I can check quite readily, but I think there was one case where there was a prosecution where a police officer had been hit by a truck and seriously injured. I think it had some relation to the matter.

Mr. Yaremko: Mr. Speaker, I do not wish to make a debate of this, but I do bring it to the attention of the hon. member for York South that the matters which he has referred to do not appear in the report as I noticed in the *Toronto Star*.

Mr. MacDonald: I was tipped off that this question was going to be raised just as I entered the House. Having been busy earlier, I had not had an opportunity to inquire. When I did inquire, I discovered that Mr. Kidd's statement was based on the account carried in the *Globe and Mail*. That account omitted two or three relevant paragraphs which made the point that I have just emphasized.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, before the orders of the day, I want to rise on a question of personal privilege, having to do with an editorial in this morning's *Globe and Mail*. The editorial is headed: THE HATCHET MAN. It says:

Unless Ontario Liberal leader Farquhar Oliver is indifferent to preserving the credit he has gained in the office he occupies, he should be at some pains to inform himself on the backgrounds of movements to insure future prosperity for Canada. Mr. Oliver's silly attempt in the Legislature to discredit Mr. James S. Duncan by calling him a hatchet man for the Tory party further belittles the office he holds without doing any harm to Mr. Duncan.

Mr. Speaker, I want to say as firmly as I can that it matters little to me what the *Globe and Mail* says of me personally, and it has exercised that prerogative on numerous occasions and probably will repeat them many times in the future.

But I am not going to allow any newspaper or any individual to say that the argument I presented in this House in relation to a particular matter was silly. I want to say, Mr. Speaker, that never in my political life was I more sure that I was right than I am in this particular case. Furthermore, I want, just for a moment if I may, to refer to Mr. Duncan's article, or Mr. Duncan's reply to my speech in the House the other day.

Before I refer to this matter, I want to say that I have nothing, of course, against Mr. Duncan. All the hon. members in the House who know me, appreciate that when I mention the name of a public servant, or of an hon. member in this Legislature, I do not mean anything personal against the individual. I

recognize, as the hon. Prime Minister has pointed out, that Mr. Duncan has been a patriotic citizen, that he has rendered the capacities that were open to him with great service to the people of Canada.

But what I am saying to the House now is, that what is being discussed is entirely different than what was set out in Mr. Duncan's statement. Mr. Duncan said, or is reported to have said in the *Globe and Mail*, that his acting as vice-chairman of a trade mission to Britain could not be considered in any way political, or he would have had nothing to do with the job. Then he goes on to say that under the former Liberal government he had gone on trade missions with Rt. hon. C. D. Howe, and with hon. James McKinnon, who was Minister of Trade and Commerce for some time.

Now then, this is the crux of the matter, Mr. Speaker, and I want to put it bluntly to the House: When Mr. Duncan went on trade missions with Mr. Howe and with Mr. McKinnon, he went as head of the Massey-Harris Company, he went as an individual completely divorced from public office, he went on—

Hon. Mr. Frost: He was in Ottawa at the time he did that. He was acting as Deputy-Minister of one of the departments in Ottawa.

Mr. Oliver: Well, some of the missions on which he accompanied Mr. Howe and Mr. McKinnon were definitely made at the time when he was the head of the Massey-Harris Company and that can be verified.

Now the crux of the matter, as I said, Mr. Speaker, is this, that Mr. Duncan's position at that time was wholly defensible. He was the head of an independent manufacturing concern, he was interested in trade expansion, and as such he had the opportunity, and it was his privilege, to go to Timbuctoo if he wanted to, in order to expand trade with this country.

But the same Mr. Duncan is not in the position today that he was then. Mr. Duncan is now the chairman of a great public utility in this province, and as such, I suggest to you, Mr. Speaker, he is in no position to take any part in anything that might be construed as political discussion or controversies.

Now, there is no one, I suggest, who will care to argue that Mr. Duncan's utterances of the last few weeks have not been political in character. The trade mission to England was political in character, political because it was built on the premise made by the Diefenbaker government that we should divert

15 per cent. of the imports from the United States to Great Britain.

Now, that was a political consideration, it was a political conclusion by the Diefenbaker government, and because of that conclusion they sent this delegation to England. It could not be anything else than political in character.

Then, after that was accomplished and after the trade mission returned home, Mr. Duncan went on the radio, he made speeches before various service clubs, and he defended one particular side of that argument.

That argument is open to discussion, it is open to controversy as this House well knows, and at the present time it is a vital issue in this election campaign. There are two sides to it unquestionably, and I say it is no place for the chairman of the Ontario Hydro to take his place on one side or the other of this controversial political issue, particularly when we are in the midst of a federal election campaign.

I say to the hon. Prime Minister that I was shocked and amazed at his statement, in the House, I think it was yesterday, wherein he gave his blessing to the activities of Mr. Duncan in respect to these matters that we have been discussing.

I would say to the hon. Prime Minister that, if he carries out and actually gives that blessing that he talks about giving, then we have opened up a new era in the political life of this country. We have said that, to every head of a commission, every senior appointee, of this government: "You are free as the air to engage in political discussions whether or not those discussions take place in the midst of an election campaign."

I say to you, Mr. Speaker, that my remarks in connection with this were not silly, they are attached firmly to a principle, and I say that the actions of this government and of the hon. Prime Minister, in condoning what has been done, does harm and damage to the great principle that we have known, and that we have adhered to, and that we have respected in this province for years.

Hon. Mr. Frost: Mr. Speaker, I did not intend to be called into this controversial atmosphere this afternoon, but apparently I am.

I should like to say to the hon. leader of the Opposition that the trade mission to the United Kingdom has become partisan only because the hon. leader and others like him make it so.

Mr. Oliver: It was made partisan because the hon. Prime Minister at Ottawa (Mr. Diefenbaker) made it so.

Hon. Mr. Frost: Might I ask the hon. leader of the Opposition if he considers that Leonard Brockington, one of Mr. King's executors, is Tory partisan? Might I ask him that? Mr. Brockington was a member of the trade commission. There were a large list of industrialists. I would like to get a list of industrialists, as a matter of fact I might become interested enough to get that and give it to the hon. leader of the Opposition, and he might see a number of people who have been friendly to his cause, who went over to the Old Country on a non-partisan mission to endeavour to turn trade from this country to our greatest friend, the United Kingdom, and the sterling bloc. Now what was wrong with that?

I should say that I am very glad indeed to support the objectives of the trade mission. It should be the objective of all right-thinking Canadians. We are friendly in this country—and we have been for generations past—to the United States, but we are not an adjunct to them.

The action of the hon. leader of the Opposition and some of his friends at Ottawa were fast leading to the fact that we were just becoming an appendage to that nation.

Now I am all for Mr. Duncan and Mr. Brockington and other non-partisan Canadians who are out to give the sterling area, and the people overseas, a fair share of our trade. I think that is the object, and I do not think that Mr. Duncan at any time has been partisan—as a matter of fact, I have no knowledge of his politics at all.

I would refer another editorial to the hon. leader of the Opposition, which appeared in the *Toronto Telegram* today, it might be worthwhile reading, but I will read only this paragraph about Mr. Duncan.

It says that during the war, Mr. Duncan accepted the post of Deputy-Minister of National Defence for Air from the late MacKenzie King, and was later the chairman of the dollar-sterling trade board, and he has been active in that matter, non-partisan, and in this capacity accompanied the former Liberal Minister of Trade and Commerce, Mr. McKinnon, and Mr. Howe, on trade missions to Africa and Latin America. He has been a patriotic Canadian serving his country in peace and in war in a non-political role. I have no idea what his politics are. The province of Ontario is fortunate to have a man of his calibre in the important position which he now holds.

I see in the *London Free Press* that Mr. Duncan's trade mission position is thoroughly justified. I will not read that editorial, but I point out this, here we have a body of indus-

trialists, people interested in trade. These people were interested among other things in finding ways and means for the United Kingdom and the sterling area to buy wheat which has been piled up for years on our prairies and elsewhere.

I would say that these industrialists, non-political, went to the Old Country, not on a mission that was confined to people of one particular party or anything of the sort, but went to the Old Country to find out what they could do.

Ontario Hydro is the life blood of Ontario industry. As a matter of fact, in some ways it is perhaps Ontario's biggest industry. Now, I do not know whether this is so from the standpoint of employment, but Hydro employs some 20,000 or more employees, there is \$1 billion, at least, invested in Hydro undertakings.

Now, may I ask: Has that great business, because that is what it is, the life blood of the great industrial capacity of Ontario, has that business a duty to try to improve Canada's position on the markets of the world?

Such was the object of the mission, and I would say to my hon. friend that I think he takes a very narrow view when he asks that the chairman—a man of experience and capacity who has devoted years of his life to the betterment and strengthening of the overseas ties, not only with the United Kingdom but with the sterling areas—with all his capacity, should be withdrawn from a place where he could serve his country in a very great way.

I would say that in these things Hydro has a duty. I think the chairman has a duty. I do not for one moment say that Hydro should inject itself into matters of political partisanship, but what right-minded Canadian can at all object to the proposition that we cease putting all our eggs in one basket, in these days when Canada's trade needs expansion elsewhere? Definitely, we should not restrict ourselves to the uncertainty of placing all our eggs in one basket.

I do not think that it is going to be a hot political issue at all. I think the hon. leader of the Opposition is mistaken.

I cannot imagine that a person such as hon. Mr. Pearson would take that position at all and he is now the leader of his party. I think he would have too much common sense to take such a position as that. I see my hon. friend nods his head in assent, and probably he has reached the stage of thinking that after all, this is all right.

Mr. Oliver: Mr. Speaker, I just want to add this one further word. The inescapable fact

around which the hon. Prime Minister skates so skilfully and adroitly, is this, that Mr. Duncan, chairman of the Ontario Hydro, spoke on a controversial political subject time and again in this last week or so. He has thrust himself into the middle of a political election campaign, and in no way that I know of can he divorce himself from being a political partisan in every sense of the word.

If we are going to sit in this House, Mr. Speaker, and condone that sort of thing, then principles which we held so strongly in the days gone by have gone by the board.

Hon. Mr. Frost: Mr. Speaker, might I ask my hon. friend where this is so controversial? Take the last paragraph of the *London Free Press*. It says:

Before the last war, Britain was Canada's best market, particularly for our agricultural products. When Britain found itself unable to buy in Canada, we naturally turned to the United States and an enormous business has grown up in recent years, but the balance of trade against Canada has been some \$1.5 billion annually, a state of affairs which has disturbed Canada.

May I say that it disturbed the Gordon commission. I do not think the Gordon commission could be counted a partisan commission. An attempt to increase British imports to Canada and divert American imports has been the object of the hon. Mr. Diefenbaker. He has talked, perhaps, without too much thought of the 15 per cent. diversion. There is nothing but good feeling in Canada towards the United States, but we do not like being treated like the forty-ninth state. The trade mission sent to Great Britain has been generally approved by Canadians, and it would be unfortunate if it were made a political issue.

I would say, "let us keep this on a high level."

Mr. H. C. Nixon (Brant): Mr. Speaker, may I ask a question? I will put it very simply. Has the hon. Prime Minister heard the address of Mr. Duncan on the dynamics of the trade mission?

Hon. Mr. Frost: No. I have not.

Mr. Nixon: He should hear it. It is being broadcast almost every day on radio stations throughout the province.

Hon. Mr. Frost: Does my hon. friend agree with it?

Mr. Nixon: Why, Mr. Duncan just "drools" over his excellency George Drew and the hon. Mr. Diefenbaker.

Mr. Speaker: Question of privilege is not debatable in this House, the hon. members should know that. We have allowed a great deal of latitude this afternoon in the first question of privilege, because the hon. members were members of a select committee and they felt their procedure was being questioned. This is a different thing altogether, and we cannot permit debate on the question of privilege. We will not permit it.

Mr. MacDonald: Mr. Speaker, having permitted the degree of latitude which you have in this very important issue now, I submit that you cannot cut it off at this point.

Mr. Speaker: I am not allowing any more debate on this particular one. Now there will be no more.

Mr. MacDonald: Mr. Speaker, that is most unfair.

Mr. Oliver: Mr. Speaker, I am not going to transgress on the ruling you have just made, but I rise to ask a question of the hon. Prime Minister or perhaps, more properly, of the hon. Hydro commissioner who is in his seat. I notice that in the various newspapers of the province, 4 of them which I have on my desk—the *Guelph Mercury*, the *Kitchener-Waterloo Daily Record*, the *Brantford Expositor*, and the *Cornwall Daily Standard-Freeholder*—all of them carry pictures of Mr. Duncan, and an advertisement which asks the people to listen to certain radio broadcasts over their own local station at a particular time.

Now what I want to ask some hon. member over there is this: Who pays for these advertisements in the newspapers, who pays for the radio time by which these messages are put across?

Hon. Mr. Frost: Mr. Speaker, if my hon. friend would give me the advertisement which I have not seen, I shall be very glad to inquire. I have no idea as to their insertion or the arrangements made, or to who, if anyone, has paid for them, but I will find out.

Mr. Oliver: Does the hon. Prime Minister's answer also apply to the radio time?

Hon. Mr. Frost: That is right.

Mr. Oliver: The hon. Prime Minister does not know at all. He does not have the foggiest conception of who is paying for it.

Hon. Mr. Frost: No. I have no idea.

Mr. Speaker: Before the orders of the day, I would like to welcome to the

assembly this afternoon, pupils from the Central Public School, Brampton, and also embryo or budding teachers from the Toronto Teachers' College.

May I say again that I always hesitate to break into the debates of the hon. members, but we must, in some way or other, try to carry out some of the rules of the House. As far as I am concerned, from this point on we are not going to allow debate on the question of privilege. It is outside the rules completely.

On Tuesday last, February 11, Mr. Oliver—

Mr. Oliver: Mr. Speaker, if I might be pardoned, I would like to say to you that I am assuming that you are going to make the decision in respect to the ruling which you delayed from yesterday—

Mr. Speaker: That is correct.

Mr. Oliver: Well, I think I am within the rules, Mr. Speaker, in adding something to the discussion before Mr. Speaker actually makes his decision known.

The rule, as I understand it, forbids any debate at all after the Speaker renders his decision. But, prior to that time, Mr. Speaker would, I am sure, like to be advised of a certain precedence which has taken place over the past number of years.

Now, I want to give just one, and I think that it will be quite interesting to the House. It bears, I am sure, a close relationship to the matter that is under advisement by Mr. Speaker at the present time.

Back in February of 1934—I am reading now from the *Toronto Globe and Mail* of that day, that is before the "great deterioration" took place—the heading in that newspaper was: NIXON AMENDMENT RULED OUT OF ORDER. I think the House will appreciate just what is contained in the following paragraphs:

Premier Henry retorted on Opposition assailants at yesterday's legislative session, and voiced an objection which caused withdrawal of a second no-confidence motion directed against the government. Leaders' day in the debate on the address found Dr. McQuibben of the Liberals and the hon. Harry Nixon [the present hon. member for Brant] each equipped with an amendment condemning administration policies.

At the close of his opponents' speeches, Mr. Henry rose with a demand that Speaker T. A. Kidd rule the two amendments so similar as to be repetition. This the speaker did, but gave Mr. Nixon the right to prepare a new and acceptable motion.

Just before the sitting ended, the Speaker unexpectedly called on Mr. Nixon for his new amendment. Mr. Nixon protested that he had no time to prepare a new motion, the Speaker regretted but it could not stand over, subsequently Mr. Nixon said that he regarded the matter as finished.

Now I want to read to the House the two amendments which were proposed in February of 1934. The Liberal amendment coming at the close of Dr. McQuibben's speech read as follows:

This House views with alarm the ever-increasing burden of taxation and debt which the policies of this government have imposed upon the people, and condemns the utter failure of the government to deal efficiently and in a business-like manner with the problems of vital concern to the people.

And it should be equally acceptable in this day as it was then, because the subject matter is here to be probed, and the conditions are here to be assailed, just as they were in those days.

Now, Mr. Nixon moved the amendment that was subsequently ruled out of order, and this is the amendment to the amendment, as it were:

And this House respectfully submits that your Honour's present advisors do not enjoy the confidence of the people and that they have usurped office for months after the end of the term for which they were elected, in defiance of sound constitutional practice, and should no longer be permitted to function as a government.

Mr. Speaker Kidd of the day ruled that those two motions were so similar that the last one was automatically almost ruled out of order.

I suggest to you, Mr. Speaker, that the two motions that are now under debate, and upon which you will render your decision in a moment, are much more similar in character and a great deal closer related than these two motions, and the one of them was ruled out of order because it was too closely identified with the other. It was as far apart as the poles. These are connected quite closely, I suggest to you, Mr. Speaker.

Mr. Speaker: Before I give my ruling, may I say that I have searched the records of the House and I can find no written or printed

record of such a ruling. Now, I am not saying by any means that that ruling was not given, because a great many rulings were given "off the cuff" and they are not put down in the records. I can find no written record of such a ruling. Of course, there was no *Hansard* in those days, therefore we have no records.

On Tuesday last, February 11, Mr. F. R. Oliver, seconded by Mr. H. C. Nixon, moved an amendment to the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor at the opening of the session.

Yesterday, Wednesday, February 12, Mr. D. C. MacDonald, seconded by Mr. R. Gisborn, moved an amendment to Mr. Oliver's amendment.

Mr. Oliver asked for a ruling on the legality of Mr. MacDonald's sub-amendment. At that time I reserved my ruling until today.

After consulting the authorities, my decision is as follows:

I recall to the hon. members the fact that the most common form of the amendment to the amendment begins:

That the amendment to the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor now before the House be amended as follows:

This clearly indicates that the sub-amendment is most usually not an independent amendment to the main motion but, in fact, seeks to make some alteration in the first proposed amendment.

Moreover, May's *Parliamentary Practice*, fifteenth edition, at page 400 and following, makes it clear that an amendment may be to add or insert words, and Lewis' *Parliamentary Procedure in Ontario* indicates that new sections may be inserted in this manner to the original question. That is, of course, the effect of Mr. MacDonald's amendment.

However, Mr. Oliver's objection was based on the fact that his original amendment was incorporated *in toto* into Mr. MacDonald's sub-amendment. I feel that this incorporation is not only unusual but unnecessary.

Mr. MacDonald's sub-amendment can be effected and Mr. Oliver's objection recognized by redrafting the sub-amendment as follows:

Mr. MacDonald moves, seconded by Mr. Gisborn,

THAT the amendment to the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor now

before the House be amended by adding thereto the following:

To clause 1, the following:

(a) through developing presently-owned properties, and acquiring more land, for a greatly expanded low-cost housing programme, so that not only work will be provided, but inflated land values will be checked and the cost of homes brought within the reach of a majority of our families.

To clause 2, the following:

(a) by actions, as well as words, in co-operating closely with all commodity groups to build effective marketing machinery; and,

(b) by dispelling the uncertainty concerning the hog marketing plan with an immediate announcement of postponement of the vote until at least one year after the plan has been in full operation.

I am of the opinion that this redraft will make it clear that an hon. member who prefers Mr. Oliver's original proposal, without the additions proposed by Mr. Macdonald, is free to indicate that preference by voting against the sub-amendment and for Mr. Oliver's amendment, and, of course, the converse holds equally true, nor can such action, I suggest, be considered inconsistent.

That is the ruling on this particular subject.

Orders of the day.

THE SPEECH FROM THE THRONE

Mr. R. Macaulay (Riverdale): Mr. Speaker, this afternoon I would like to have an opportunity of dealing with the speech of the hon. leader of the Opposition (Mr. Oliver) in several regards, but in particular to his references to unemployment and the tax agreements.

He had two solutions. One, to the former hold a meeting and to the latter, hold no more meetings. But I will return in a moment to the comments of the hon. leader of the Opposition.

I would also like to make some reference to the speech of the hon. member for York South (Mr. MacDonald). There were many aspects of his speech yesterday which I found challenging, two in particular. These were his references to unemployment and to the tax agreements.

Mr. MacDonald, in commencing his speech, was very critical of the government policy in

education, and I leave the basic defence to the hon. Minister of Education, for it is a defence which he can well carry. But I believe that one should test the capacity of this government in relation to our educational policies by comparing them with what has been done in other provinces, and I thought perhaps the best place to turn, since those who live in glass houses should not throw stones, might best be immediately to Saskatchewan. I thought it might be interesting to know some of the promises of the CCF before they formed the government in Saskatchewan and see what they have done afterwards.

Mr. MacDonald: How about their hospital plan?

Mr. Macaulay: I will come to their hospital plan, I am going to ram it down the hon. member's throat.

Now, if I may come to the first point, Mr. Douglas in 1944, when he was leader of the Opposition, had this to say on the field of education:

The CCF government will recognize the fact that providing educational opportunity for all children is the responsibility of the province. The British North America Act makes education a provincial, not a municipal or local responsibility.

Would you not conclude, Mr. Speaker, from that statement that they were going to pay for all of the costs of education? But do you know what they are paying? They are paying the lowest per cent. of any province in the Dominion of Canada, 26 per cent. That is a far cry, is it not, from 100 per cent.?

In 1944, secondly, the CCF had this to say:

We are in the opposition now, but we are going to form the government next year and when we do we are going to repeal the tax on education. We have a tax on education in Saskatchewan, you cannot get one unless you pay the tax.

And what was it before they took office? It was 2 per cent. They said: We are opposed to it. Mr. Fine said it is a regressive tax. Mr. Coldwell said it was more than that, it was an abomination.

Well, the CCF have been in power 14 years, and where is the tax? It is still there, and do you know, Mr. Speaker, what it is now? It is 3 per cent.

Now I turn to the third point and the third point is this. The province of Saskatchewan pays less towards education than does any other province in the Dominion of Canada.

Fourthly, in relation to taxes which have been levied against real estate to support education in the province of Saskatchewan, they have risen from 153 per cent. in the cities to 296 per cent. in the towns.

Fifthly, proportionately to the number of teachers and the population, there are more teachers in Saskatchewan operating on temporary certificates than any other province in Canada.

Sixthly, there are some schools in Saskatchewan that have no teachers at all. They have sitters to keep order. That is the great province that was going to take over all the cost of education. They have sitters just to keep order.

And seventhly, in the province of Saskatchewan, the government prints the books, the books are full of naked socialist propaganda.

Eighthly, Mr. Speaker, I want to say this to the hon. member for York South, I never was in a more friendly glowing warm feeling for him than I am today, and I left him entirely alone yesterday, and I did so for a very good reason, because I knew I would needle him badly today, and I am just starting, so let him not get excited.

Now I want to turn to the eighth point, and that is, in each year in Saskatchewan there are fewer teachers entering into the professional teaching field than the year before, because they are the lowest paid in any province in Canada.

Ninthly, they have supervisors in Saskatchewan who have not been even to normal school.

Tenthly, their school fees have gone up on the average of from 33 to 100 per cent.

Now, that is the great party that was going to provide education free, repeal the tax, and pay the whole cost of education.

Let me read two resolutions that were presented at the last CCF convention at Saskatchewan, and hon. members can tell me what they think happened to them.

RESOLVED, that a greater percentage of the provincial budget be used for secondary educational purposes.

What, do hon. members suppose, happened to that resolution? Secondly:

RESOLVED, that proper facilities be established to create children's interest in some of the more common trades of today such as agriculture, carpentry, mechanics, home economics, etcetera.

—the thing of which the hon. member for York South is so fond. What happened to that resolution? They were both lost, lost amongst the mad mass of promises.

These are but a few of the resolutions. There are so many that I can bring in only a couple.

Now, I say to the hon. member for York South that yesterday he threw a lot of stones, he must be ready today to receive a lot back, for I have a big bag of them.

Now I intend to return to the CCF shortly, but, Mr. Speaker, as it is customary, may I, in speaking today, offer my congratulations to you, sir, and add what little weight my name has to the congratulations which have been extended to you for your fairness, and all the fine things that you bring by prestige in this great House.

May I also have the honour of extending some congratulations to the hon. mover of the reply to the speech, the hon. member for Peel (Mr. Kennedy). I enjoyed his speech tremendously. It was touching, it was moving, it was a delicious experience.

I would also like to congratulate my desk mate, the hon. member for Glengarry (Mr. Guindon) who in a very impressive manner delighted us and taught us much, and I thought that I detected in him a French tradition and colour much as is possessed by the hon. member for Russell (Mr. Lavergne) for whom we all have so much admiration.

Now, Mr. Speaker, I have come here today, originally with the intention of directing all of my comments to the budget of this province, but I have changed them because of the speeches that were given yesterday and the day before by the hon. leader of the Opposition and the hon. member for York South. Subjects which those two hon. members dealt with were done so in a shirking, articulate, ebbing-and-flowing manner as they tried to caress the greatest passion possible from the body of the unemployed.

Is there a crisis? What has caused it? How long will it last and what can be done? I intend to meet their observations, if I can, head-on. These are some of the questions I propose to speak about, frankly and honestly and openly, in response to the stirring, elusive and hit-and-run speeches of the two hon. members.

But in order to do so, it is inevitable that one reach back into the field of tight money. People say tight money, the tight-money policy of the federal government and Bank of Canada, caused our problem. But can they say that tight money caused our problems

without giving some consideration to what tight money is, and to what caused tight money?

It seems to me it is wise to know the meaning of the term. Tight money means that people who want to borrow cannot find money to borrow, or they find that the terms that they have to pay are too high. Tight money means nothing more than that.

Now, what caused tight money? Every effect has a cause, and there were two causes of tight money, I respectfully submit, and the first one was that Canadians did not save enough out of their earnings, and secondly that Canadians have not produced enough goods at reasonable enough prices. These are the causes of tight money, and they are also the causes of the present unemployment. Canadian have failed to produce enough goods and services at reasonable prices, and secondly they have failed to save enough out of their earnings.

Firstly, hon. members may ask why, what has savings to do with it? Well, tight money means that people cannot borrow money because there is not money to borrow, and since one can borrow only from somebody who saved, obviously, one of the first causes of tight money is that we have not saved enough. That is so basic that surely it is beyond dispute.

If a person wants to borrow, for example, a cup of sugar and he goes next door to borrow from his neighbour, and they have not saved up any sugar, he cannot borrow. There is tight sugar. But does one blame the government because his neighbour has not saved enough?

Well, substitute a little money and the bank for the cup of sugar and the neighbour. If a person goes to the bank and tries to borrow money, they will not lend it to him, and they say there are far more applicants than there is money available. The bankers say one of the reasons is that—in fact, that the basic reason is—that people, their customers, their depositors, and their shareholders, have not left enough funds with them to lend.

Banks have no money of their own, they lend only what people leave with them to invest, so the basic cause of tight money was that we wanted to spend more than we wanted to save, and that was the problem that every Canadian faced. If there is not enough sugar in our neighbour's larder nobody blames the government, but when there is not enough money in the bank, everybody blames the government.

Now why is that? One reason, and I think fundamentally the basic reason, is we know

the government does not grow sugar so we do not blame it, but we know the government has something to do with money so we do blame it.

Now if tight money means that there is not enough money, then is not the solution to tight money to print more? Why did not the Bank of Canada print more money, and having printed more money pump it out into the public's hands?

There is a reason. There were 4 ways in which it could have been done, and just for the purpose of the record I would like to indicate very briefly what the 4 were without explaining them, because each one is subject to at least an hour-and-a-half description, they are very complicated.

The first is that the Bank of Canada could have printed new money and purchased from the public government of Canada bonds which the public owned and have held for some time. The public now would have new money, the bank would have the old bonds. That is the first method.

The second one is that the Bank of Canada could have purchased directly from the government, Government of Canada securities rather than the Government of Canada selling the securities to the public.

Third is that the Bank of Canada could have purchased treasury bills directly from the government.

The fourth is that the Bank of Canada could have kept the deposit rate as low as possible by law and cut out secondary bank reserves of 7 per cent.

Now I have hurried over those, but I just want to leave this impression, the Bank of Canada could have printed more money, and it did not. Why did it not? That is the point. If it had increased the amount of money in circulation, the borrowers would have been happier, there would have been more money for them to borrow. For a time they would have been quite happy.

So there was not enough money for borrowers, but if the Bank of Canada had increased the money supply, it would have done great damage, for there already was too much money for the amount of goods and services which this country was producing. Why is that? How can that be proved?

Well, the best way to prove it is to look at the cost of living. If there is the right amount of money, the cost of living will stay level. If there is too much money, up will spiral the cost of living. And where did the cost of living go? It went up.

So hon. members can see the great problem that the Bank of Canada had. On the one hand, there was not enough for the borrowers and on the other hand there was too much for the consumer and the saver. And let us not forget this, I think every hon. member of this House should realize it, that the saver is a pretty important fellow, because he is the fellow the borrower borrows from, and if there are no savers and there are no savings, there cannot be any borrowers.

Now, we just cannot go on printing money forever. Otherwise, money would become so plentiful that a person would have to take a suitcase of it to the drugstore to buy a packet of cigarettes. Printing money can produce chaos. Now, I have covered the first point.

Tight money came about for two reasons—first, because there were not enough savings, and secondly, one to which I wish to refer—is the fact that we are under-produced, not in the matter of population but under-produced in the way of produce. Since the days of Jacques Cartier this country has never produced enough for its own needs. Otherwise, why would we have had trade deficit after trade deficit? The fact is that we consume a great more than we produce.

And here is the fundamental truth that very few people apparently realize from what I have read, that we produce less than we need and the United States produces more than it needs.

So two basic truths of our economy are these, the United States is overproduced, and its problem is not production, its problem is purchasing power. In Canada, we are under-produced and our big problem is production, not purchasing power. And so I say to those American labour leaders who would like to apply—or to Canadian labour leaders who would like to apply—some patent medicine which may be good for the American economy, that it may well choke the Canadian patient.

There is a most important principle in that, I think both the hon. leader of the Opposition and the hon. member for York South should realize it and, instead of hunting for headlines of expedience, should consider these problems in terms of principles.

One is that goods which are priced now too high and therefore do not sell, will not sell more by increasing the price further still. The same is also true of labour. We cannot escape, in Canada, the influence of the United States and it is not desirable, but I do think this, that every Canadian governmental, management and labour leader should start thinking of Canada as a nation and not try to apply

patent medicines available in the United States.

One of the great and disagreeable characteristics, of course, of tight money, was that it hit indiscriminately. It hit at the small provinces, at the small municipalities which were unable to finance their needs, as well as the small business man.

It is at that stage that the federal government should have stepped in and seen that equity was done. The Liberal government should have stepped in to augment its monetary policies with fiscal policies and regulations to see that equity was done. But the Liberal government did not have courage and it did not have confidence to do those things, and it resigned the complete control of inflation to the Bank of Canada, and the Bank of Canada did not have the statutory power or the capacity to control inflation alone.

In addition, it is my belief that the Bank of Canada started to act too late and has held on too long. It may be that there is some defence available to the Bank of Canada in this latter regard, because in December the cost of living rose to the highest level it has ever been in Canada. Inflation still is serious, and if too suddenly and too much we overstimulate the Canadian economy, we are going to have a far greater destruction than any problem we presently face.

But the public, and this is the truth, the public finds unemployment very painful, and yet it does not realize that inflation can be more destructive, in that it can wipe out our entire economy. Inflation is still an unremoved cancer in the body of our economy. The cost of living is still on the march.

But the attention of this country has been drawn from inflation and is now attendant upon the apprehension of another depression, aided and abetted by the harbingers of doom opposite who harp on it and who bring it closer so that they may caress it.

Mr. Speaker, if that is so, if the public's attention has turned from tight money and has turned from inflation, then I too would like to turn from it, to this "thing," whatever we have been discussing, this "problem," this "unemployment" which the hon. member for York South and the hon. leader of the Opposition have been discussing.

What is "it"? Is it a new disease, what caused it, and what can be done about it? What is going on actually in our economy today? Some people say it is an economic recession, some people call it a pause.

I submit with respect, Mr. Speaker, it is neither. It is something that one's stomach

does 3 times a day, it is a period of digestion, and when one's stomach does it no one blames the government, but when one's economy does it, everybody blames the government.

Now, the first weak link, I respectfully submit, in the speech of the hon. leader of the Opposition, as he stalked and caressed the subject from a distance, was that he felt he could not discuss the causes of unemployment, because he was afraid a few old chickens would come home to roost.

The first weak link in the speech of the hon. member for York South was that he blamed nobody but the Liberals and the Conservatives for having brought on unemployment; he took no stock of the contribution made to unemployment today by the segment of the economy which pays him to come into this House and lobby on its behalf.

I do not intend to sidestep that issue as they did, and in so doing, I intend on the ground of unemployment to call, to my defence, 4 witnesses.

The first is Mr. Bruce Hutchinson. Certainly no one could ever accuse him of being a Conservative-lover. He wrote in an article not long ago:

If Mr. Diefenbaker caused the present decline in Canadian business which the Liberal convention exaggerated into a major catastrophe, then he must have shifted single-handed and over night the economic levers of the world. The battle cry that was sounded, which practically amounts to "down with the Tories for causing unemployment," is manifestly nonsense considering that the economic processes which brought Canada to its present condition began long before June 10.

The second witness which I would call is the unemployment situation in the United States. It ranges from 7 per cent. national average to 13 per cent. in different places. Can any Canadian political party be blamed for that?

The third witness would be an article which I read recently in the *Atlantic Monthly* of the unemployment in Red China which is estimated to be over 15 per cent. Can any Canadian party be truthfully said to have contributed to that?

The fourth witness is the CCF themselves in Saskatchewan. If the Conservatives and the Liberals created unemployment, and if a province can do anything about it, then I would be interested in knowing why unemployment in Saskatchewan is at the same

level as the national average. Now there are many witnesses one can call, no province alone can cure unemployment, and I am sure that no one, even the socialists, would say that, although I rather felt that my hon. friend from York South was suggesting it yesterday. If he is suggesting it, then there are certainly a lot of little socialists who stand indicted for dereliction of duty in Saskatchewan.

I think it is most important for us to look at the cause of these matters. After all, my hon. friend the hon. leader of the Opposition yesterday, or the day before, talked of remedies. He felt a meeting should be held. I do not know if he suggested anything else but I will give him credit, I am sure he must have, but there is no point in talking about what can be done about a problem unless one looks to see what are the causes of it. Because, in doing something to cure it, one may very well bring about the same conditions which created it.

With great respect, my submission is that the Canadian economy sat down some years ago to a table and has been eating like a starved urchin ever since, and has only once gotten up from the table, and now it has developed great pains and aches, and these pains and aches are generating gas in great quantities both from politicians and the body politic.

The real fact is that we have never in this country stopped eating for the last few years in our economy. We cannot have a gross national product jump 10 and 11 and 18 per cent., without sitting down and doing a little digesting, and we are now in a period of digestion. If we spend the time wisely, we will go on to have another meal later in the day, but if we do not, we will develop chronic indigestion.

Now, Mr. Speaker, all inflations and deflations and digesting periods, since and before the days of the Phoenicians, have all had their own characteristics, and a period of digestion coming upon a period of inflation as we are going through today has 4 obvious characteristics.

One, we have stationary profit in industry. Two, we have stationary production in industry. Three, we have stationary tax revenues from industry, and four, we have rising costs and unemployment. This is true regardless of the patent medicine we may take.

This is a period of digestion, and the only real issue is: what caused it, how long will it last, and what can we do about it? In relation to what caused it I would just like to add this, that unemployment itself is not a disease,

it is a symptom, and public works programmes and crash programmes will help perhaps the symptom, but will do nothing to cure the disease. In the long run the fundamental truth of the matter is that we must cure the disease, and while my hon. friends, the hon. member for York South and the hon. leader of the Opposition are fighting for the warm glow of public approval, as to which one of them moved the first motion of want of confidence on account of unemployment, I would suggest to both of them that they stop hunting headlines and start looking for a few principles.

The real fact of the matter is, the disease is that industry cannot sell its products, and if it cannot sell its products then it cannot employ labour. There are 3 real reasons for this.

For 5 years or more, our economy has fed upon foreign investment which came into this country in torrents. We built factories and warehouses and apartments and hotels and so forth with money belonging to foreign people. We do not own them and we are not going to get the profits from them either, the profits are going to fly back home.

But that is not the issue today. The fact is, the money came in in a torrent and now it is a trickle. And while that money poured in in a torrent, there were hundreds of thousands of employees who were fed by it and hundreds of companies which held up their arms and were embraced by it. But it is not there now, and they have nothing to embrace in its place, and the real truth of the matter is that in this period, when there was this great inflow of foreign capital, the federal government was doing nothing to create the day or the atmosphere in relation to trade to take the place when the torrent would reduce itself to a trickle which it was bound to do.

It was bound to do so because foreigners could invest in this country only the money which they had saved, and now they have gone through their savings.

It is not that we are not so good a country, or that we have changed. It was bound to happen, people cannot go on spending forever without savings.

There was a second cause, and this, Mr. Speaker, was the most direct of them all, and it lies at the feet of management and labour.

For years, labour has demanded increased wages of management, and management has paid them irrespective of whether it was brought on because of increased production, or because competition in the world or in the nation justified it. Labour demanded increased

wages on this basis. Why not? If management can find a way to slough them off and pay them, it is up to management.

And management did find a way. It poured it into the increased cost of goods. Now the situation has backfired because management and labour together have priced many of our goods out of our own market and out of the foreign market. We cannot develop trade unless we have buyers.

We cannot make buyers buy who do not want to buy because our goods cost too much. We cannot make them buy, and there is a truth of every economy and that is this—that we cannot sell if we have no buyers.

There is no point in looking at the government either. Management has berated labour, and labour has berated management, and when they both got sick of that fruitless duel, they turned and both berated all levels of government.

Now, there is no sense in them duelling for higher wages, if when they get finished, it is going to produce an increased cost of the product which the buyer already will not buy. The reason buyers today are not buying is not because of the fact that they do not have the money, it is because the goods are costing too much for what they are worth.

Labour says, "but look at the terribly high depreciation rates." They are not high, but surely the answer is that if there are not depreciation rates, by the time your machine or building comes to the end of its usefulness, you have nothing left aside to replace it, and if you do not replace it, every one of the employees will be out of work. It is awfully short-sighted to try to raise a few votes on that kind of a premise.

There is a second proposition labour makes. It looks at the dividend rate. Look at it. It is about 5.4 per cent. interest on one's money, on the average across the board. And I say this, hon. members cannot tell me that industry can borrow money if it does not pay a dividend.

There was a poll held a few years ago, a public opinion poll in Toronto amongst the working class and they were asked, "What interest would you demand to invest in a company or lend money?" The average was: "Between 8 and 12 per cent., before we are going to take the risk of losing our money." If we cut off dividends, there will be nobody lending money to industry. And then how will industry expand? In this country if one does not expand, one goes backwards.

Now, I would say to my hon. friends opposite who have taken the position they have, that dividends should increase and can only increase with increased productivity.

The same is true of wages. Labour cannot go on demanding more and producing less because this nation, every one of us, and we are all in that class, all wanting more and producing less, live by the production of this country.

While employment was high, governments were told to mind their own business and now that employment has developed into unemployment there is not a soul in sight to accept any responsibility for what was happening while the government did mind its own business.

I say this frankly, Mr. Speaker, that management and labour must accept their share. They set the wages and the wages determine the price of the goods. They set the volume of production, and it is the volume of production which helps to settle prices. No government controls either prices or production. These are controlled by management and labour.

Certainly, the government has some responsibility, but crash programmes and public works will not cure unemployment. They will alleviate it for a while, but it will be worse in no time. As I say, one of the answers lies solely in the hands of management and labour, and while they are shoving each other around in front of the warm fire to get a warm place, the fire is going out.

And people can talk all they want about governments priming pumps, but you can only put a certain amount of water in, and if you run into a dry well, you cannot prime that forever. A primed dry well sucks nothing but air.

Now management cannot pass on the buck any longer because the consumer will not buy the goods. The real fact is that labour and management have got to come to a compromise to survive in this position, because the nation cannot survive on increased wages and decreased production forever, and now is ever.

There is a third cause of this period of digestion, and it is psychological and it is a characteristic of Canadians. My hon. friends opposite made great fun of the hon. Prime Minister when he talked about it, in trying to belittle him by saying that he had his head in the sand and he was ignoring unemployment, and that all he was doing was hoping that if he talked loud enough about how good things were, he could forget all about unemployment. But both of my hon.

friends opposite overlook a fundamental fact of man, and that is, that confidence is one of man's greatest assets, that and his dignity of person and his willingness to work. If one has a sense of dignity, and has a feeling of confidence, and has a preparedness to work, he will succeed.

So I say to both of my hon. friends opposite, let them not belittle self-confidence be it national or of the person. Simply because neither of them give the impression that this nation should have any confidence, it does not mean they need to destroy it in the eyes of the rest of us, otherwise they establish themselves as very poor judges of human nature.

We in Canada have established—

Mr. MacDonald: He is living with his illusions.

Mr. Macaulay:—that we have never had a great deal of self-confidence. We have allowed other foreign nations to develop our own national resources, and when they stopped pouring in their money to do so, we stood up in sort of a neurotic trance.

Look at the stock market. Some hon. members ask: "What good is talking confidence?" But let them look at the stock market. Because Mr. Eisenhower had a heart attack, there were billions of dollars lost from the stock market. The stocks are as good or as bad as they were the day he had the heart attack.

Mr. Eisenhower gets better and up go the stocks. Russia sends up a sputnik and down go the stocks. The United States sends up a sputnik and up go the stocks, as my hon. friend from Leeds (Mr. Auld) says, "higher than the sputnik."

Now, that is nothing more than confidence, and so my hon. friends can say what they want about belittling the hon. Prime Minister or anybody else about their confidence, because it does not mean much to people like them. All they can see is the black crepe. Now I would only say to them, if they want to judge what confidence or the lack of it really can do for a person, let me go to Saskatchewan, that favourite myopia of lands.

Mr. MacDonald: Hurrah, we are out there in the west again. "Go west, young man, go west."

Mr. Macaulay: Now I would like to point out, and one of the fundamental rules, I always thought, Mr. Speaker, of this House, was that unless a member was standing, his microphone was turned off, and although I am under the impression that my hon. friend

is standing in spirit, he is sitting physically and I wonder if we could turn off his microphone.

Now, turning as I say to the bible of the CCF party, we will find in the first chapter of the CCF epistle, the eighth verse:

The executive council or any authorized member may expropriate without consent of the owner, any land, industry, or commercial enterprise carried on in Saskatchewan.

Mr. MacDonald: That is what Union Gas Company is doing all the time.

Mr. Macaulay: Now, Mr. Speaker, would you conclude from that, that my hon. friend's microphone was cut off? Is it possible to assume control of this gadget, or it may be on the other hand that the hon. member has more friends here than I thought.

Now to get back to the point. If we get into the issue of this eighth verse of the first gospel of the CCF, and wonder what effect that has had—I would have thought it would destroy confidence of people who would want to go into Saskatchewan, and I leave it to this House to conclude. In 1944, there were 326,000 people in the labour force. That was when the CCF came to power. In 1958 there are 308,000, it dropped 18,000 people in the labour force. In the province of Ontario, the labour force when the Conservative government came into power was 1.49 million and today it is 2.195 million, an increase of 700,000.

Now I want to read a couple of little quotations which rather interested me. They would horrify me if I had to live in Saskatchewan, but here are some of them, and this is one of Mr. Coldwell's:

Profit and ownership have to go. We must have a mental revolution or we shall have a physical one.

Then Mr. Irven said:

We do not believe in the so-called rights of public property.

Mr. Weaver, at the annual convention of the CCF in Winnipeg, said:

We ought to remember that the constitution was not made to bind the CCF, we are not concerned with capitalistic constitutions as soon as we can wreck them.

Now there are a couple of other quotations which rather interested me, and I wonder

whether hon. members think they would produce confidence, and whether they think that this kind of propaganda has produced a reducing population and a reducing labour force, and a reducing many other things.

Mr. MacDonald: Are these quotes in the thirties?

Mr. Macaulay: Here, for example, is a quotation from the book *Social Planning*:

There seems to be no reason why interest should be paid on deposits. Nor can we see much likelihood of the circumstances arising under a socially planned economy in which it would be desirable to pay interest on deposits.

So I say of this book called *Social Planning*, page 307, Mr. Speaker, for anyone who has any money in the bank, the minute those fellows get into power, get it out of the bank. I do not know where they will put it, they will find a place, but just get it out of the bank.

Another quotation which interested me was one which appeared in *Democracy Needs Socialism*. I have always thought that my hon. friends were honour bound to say they were true socialists, I thought they considered themselves socialist. I admit there are socialists and socialists. A socialist government may pay reasonable compensation to existing shareholders when socializing in industry, but it should be noted that this does not involve cash but simply exchange securities that will bear no interest. So anyone who owns anything, get rid of it. Because the day is going to come, they are going to give you some bonds and they are going to pay no interest on them and there will not be anybody who will buy them.

Who wants to buy them when they are going down in value and they do not bear interest? Not even those fellows who issued them.

Let me tell hon. members what Mr. Coldwell said in the House of Commons in 1942:

The present loan policy should be replaced by one of compulsory interest-free loans.

Let me tell hon. members what Mr. Phelps said, he is a member of the CCF in the Saskatchewan House:

The CCF is prepared to confiscate if necessary, if it is necessary I do not back up one inch.

Let me tell what another man by the name of Lynch had to say:

We will nationalize the financial system of the Dominion, therefore there will be no money paid in the form of interest.

Now, lest the hon. members in this House think that they are the only ones to whom this has been directed, there are a lot of farmers here, and I think they would be interested in hearing a few of the CCF's observations on the farming community. They said, and this is from the CCF Saskatchewan farmer group labour handbook:

We cannot definitely state how much land a man will be allowed to hold.

Now let me tell hon. members what Mr. Leven said. The hon. CCF members keep asking what year is this, I can only conclude that they must have changed their minds!

Now, Mr. Leven said that while they do not intend to control the land, ultimately farmers could stay on their farms as long as they wished, but they could not will the property on their death to anyone else. I suggest the farmers give that a little thought. Let me tell them another one:

The CCF has considered socialization of land. There are many advantages to the farmer from some form of socialization, we can learn much from Russia in this respect.

Stalin said: "I like the Pope but how many divisions has he got?" Is that the business we are in for?

"If the farmer wants a co-operative commonwealth in which everything is socialized but himself, he better have a co-operative commonwealth of his own" or as Mr. McGinnis said, "we shall have to force them to the socialistic view."

Do you wonder, really, Mr. Speaker, why the Saskatchewan labour forces dropped down 18,000, or why when they have had a birth increase of 135,000 in the same period their population has gone down 50,000?

If we are careful and watch Mr. Douglas' quotes, they are wonderful, he says last year, after years of the CCF in power, the mineral production of the province has gone out of sight, and he talks of it in terms of dollars, but he forgets to tell the reason why it has gone out of sight. It is because the cost of living went out of sight. The real fact is that the production in tons and pounds has gone down.

Interjection by some hon. member.

Mr. Macaulay: Well, the hon. member can say all he wants, I am prepared to have my veracity tested against his any day.

Now in relation to this particular matter, the CCF and Saskatchewan did not eradicate capitalism, they drove industry out of the province, and that is why, regarding confidence, my hon. friend can belittle as much as he likes the hon. Prime Minister for his confidence, but Saskatchewan is losing its industry, it is losing its zest for living, its population is going down, and so is the political support for the hon. members opposite. They can belittle the expression of confidence all they like, but it is a vital matter.

Now, let us go back to the question of the Liberals. We would think from the way that they carried on for as long as they carried on, they had a policy. But if they did their trade policy was simply this: "While the rest of the world eat their economic competitors, we are going to wait until ours die." That is fundamentally it, "or we get eaten first, whichever happens sooner."

The real fact is involved in the question of self-confidence, and what it will do for a nation. If hon. members want to know the real reason, in my humble opinion, why Mr. Diefenbaker had to call an election—

Interjection by some hon. member.

Mr. Macaulay: All right, I will tell the House, and it is not a really creditable story. In fact, I will go so far and say it is disloyal.

We were cut off and threatened to be cut off in the American markets from our oil exports. This country lives and breathes by our exports, and if we do not export we do not live. Now, life is that simple. And the real issue is that the Americans cut off our oil in parts of the United States, and this is what happened when our government, the Conservative government, went to Washington to protest and say: "You cannot do it, we are an honourable friend, we are a good neighbour, you have all of your self-protection apparatus in our country; we are carrying our fair share and we have done it before; do not cut us off, do not choke us, that is one of the most important things we need."

What happened? Let hon. members read *Hansard*. The Liberal and CCF axis got up and they in effect said to the Americans: "Do not pay any attention to them, they are just a minority, over-night guests, do not worry about them."

Hon. Mr. Frost: Sell the country down the river.

Mr. Macaulay: Certainly, sell them down the river for one reason, because they are fighting, fighting simply because they have no confidence, and what I say is this, and I have said it before, that what the hon. Prime Minister has indicated in the way of confidence is a vital matter, and he was quite correct in underscoring the whole issue.

Now I have attempted to indicate, Mr. Speaker, in a recapitulation that there are 3 reasons why we have this period of digestion. An inflow of foreign capital has been cut off; secondly, our national and international markets are for the moment lost because we have priced ourselves out of them; and thirdly, we are short of confidence.

I say, as the hon. Prime Minister has suggested, the axis is prepared apparently to have a depression in the hope that it will help it more than it hurts the economy, but they are prepared to take the risks.

Mr. Speaker, inherent in these causes that I have outlined are the 3, I respectfully submit, cures which must be undertaken:

Firstly, we cannot help anything or have anything to do with the decreased flow of money coming in from foreign markets, but we can develop greater trade, but our greater trade is going to depend upon better prices and better qualities.

Secondly, if we produce more, we can reduce the price, and we can reduce the cost of living. I believe that wages should advance with production and with the cost of living, but wages have outstripped production.

Thirdly, I believe that all levels of government must assist in priming the problem, within the fields of their own constitutional obligations.

Now, to come to Ontario: "What has Ontario done in relation to this problem?" the hon. member for York South was asking. The real fact is that Ontario undertook a crash public works programme in the 1950's. We have been producing hundreds and hundreds of millions of dollars, and my respectful submission is we have led every province in this country. We are ahead by miles. We did not wait until 1957 or 1958 to start on any public works crash programme, we enlarged on it and went into it as soon as it was possible after the war.

And I suspect that our debt, our net debt in this province by the end of next year will be—and this may shock the hon. member for Waterloo North (Mr. Wintermeyer)—will be \$1 billion. While the debt of all the other provinces are going down and being wiped out except the Maritimes, ours has more than doubled.

We are pouring out in this province at capacity, and I believe another figure that may shock the hon. member, although he will know from the budget in a matter of a few weeks, I would think that it is quite possible that in this year we had a deficit of over \$100 million.

That is what this province has been doing, that is what we have been building, and we had a programme long before anybody else even started on it.

The point on which I want to conclude in relation to that is this, that I respectfully submit, that the udder of the cow is now dry. There are a lot of people in this country who want to say, "Chop up the cow and we will eat it," and there are a few others who say, "Feed it, so we can milk it again."

Now that is the choice that the people of this country have, it seems to me, they have it and will make it if they are honestly informed by people of integrity.

I wish people would know when to shut up when they are not on their feet.

Now, I want to turn, in conclusion, to two matters, the second of which the hon. member has been anxiously prompting me, that is the tax agreements and the budget, but firstly I would like to make some very short reference to the budget.

Arising obviously from what I have said is the obvious conclusion that the gross national product is, in quotes, "relatively stable." I say "relatively" because, although it is imperceptibly rising—the cost of living or rather the part of the gross national product which is rising—and there is a greater part of it in the increased wages than in increased production. And although the gross national product, in short, is rising a little, the part of the production rising is very small.

Now what is that going to mean? To Ontario, it is going to mean this, that our revenues are going to stand still for the coming period, apart from the question of the \$22 million and any additional change in the tax agreements which will come about after the Conservatives win the election on March 31.

So, on the one hand we will have stationary revenues apart from any changes in the tax agreements, and on the other hand we are faced with drastically uprising costs.

I suspect that in relation to our budget, the mining tax returns were lower than were estimated. I would think likely the corporation tax returns are lower than were estimated. And even with the \$22 million, unless we get a better deal next year or this year from the backcoming Conservative government, I would think that our revenues, includ-

ing the \$22 million, are likely to be no more next year than they are at this time. And that all presumes no new taxes in this province.

My respectful submission in relation to taxes is this, I have always pleaded cyclical budgeting, and I do not think this is any time to raise taxes. I do not think the tax structure should be altered with exception perhaps of two things, a modest revision of the logging tax and some impost in relation to the hospital plan if that is required.

I would think, in some summary of the budget, it could be this, I would suspect that this year we have brought in, in revenue, in the year that will end on March 31, between \$600 million and \$615 million. I would believe that our deficit is between \$90 million and \$100 million, and that we will have a small surplus on ordinary account, and that our debt increase will be between \$90 million and \$100 million.

I would think for the coming year 1958-1959, our revenues will likely be about \$625 million, our deficit will likely be \$140 million.

I hope we can have again a small surplus on ordinary account, and I would anticipate that our debt will increase by \$115 million. That will mean that we will have increased our debt, if I am correct, by somewhere in the neighbourhood of \$200 million to \$215 million in this province in two years, to help carry a tremendous load which constitutionally we are obligated to do, and which we assumed in 1943, and secondly, our tremendous crash programme constituted to help stimulate the economy.

This is a tremendous load, and it is something which, when we look at those figures, if I am accurate, or even if I am within 10 per cent. of the figures, revitalizes again the question of the tax agreements.

Now, I come to the favourite subject of the hon. member for York South.

In relation to the tax agreements, Mr. Speaker, they are again under review by the federal government. Last year the hon. members of the Opposition were critical of the hon. Prime Minister, critical of him because he fought on behalf of Ontario to obtain a better deal from the then federal Liberal government. They were critical because they said, as I understood them, that the agreements were fair, just, equitable and above all, constitutional.

Now, on the other hand, we have a better deal, and the only thing they have to complain about is that it was not as good a deal as we should have had.

The real fact is that we cannot please them. While the hon. Prime Minister fought for the province of Ontario, the hon. members of the Opposition fought for the Liberal government in Ottawa, and that is an issue which we are going to take to the people in the next provincial election, and we will leave it to them to decide whether "Old Man Ontario" fought for them and got them a better deal, and I know now what they are going to say.

This is the truth, if the hon. members of the Opposition last year had called these agreements what they really were last year, unfair and unjust, this year they would have been able to rise and complain, but they cannot because the agreements were "just grand" last year and they are better this year, so it is a "better grand" agreement.

Now, the real fact of the matter is that the hon. leader of the Opposition and the hon. member for York South were critical of the conference. How can the hon. leader of the Opposition be critical of a conference that lasted a whole day when he went down to Ottawa in 1935 with Mr. Hepburn, and they did not even get out "God Save the King" before he broke it up?

In any event, there is an additional factor which is quite evident. The hon. leader of the Opposition and the hon. member for York South say that the conference produced nothing. The conference amongst many other things produced one figure, \$166 million—\$100 million for the Maritimes and \$66 million for the rest of the provinces, and I must admit that a few weeks ago \$166 million was a great deal of money.

It may not be much, now that hon. Mr. Pearson has been in hibernation, but it was a lot of money then.

The real reason they are critical, they say, is that it was given as an election bribe.

Here is an interesting fact, it was promised before the last election. It was clear to anybody who could read, and I mean no offence. Hon. Mr. Diefenbaker promised it as one of the terms of his, of one of the promises of his election. He promised, and if we had not brought it in we would have been damned, and if we did bring it in we are damned, so "damn the torpedoes and full steam ahead."

And now I want to say to the hon. leader of the Opposition, because he is the man who always wants to be right on the nose—in fact, he likes everything to be correct—that I often am wrong when I get into a debate with him because he has had far more experience than I have. I did not get into a debate with him on this subject, so I find I am right when I

go and look up the figures that the agreements were amended from 10 per cent. to 13 per cent., and the agreements will run on that basis for 5 years, until they are amended or unless they are amended, so the \$22 million or whatever comes in will come in each year.

Mr. Oliver: On that point, would the hon. member allow me to ask this question? He says the agreements were amended. Has the province of Ontario signed the amendments to the agreement?

Mr. Macaulay: The hon. leader of the Opposition is showing that he has a more technical grasp of the English grammar than I thought he professed to possess the other day when he was talking about his qualifications to discuss education. But I do not think actually one can truthfully describe the matter as to "the agreements being amended." There was enabling legislation passed in the federal House which entitles all of the provinces to the money if they want to take it.

We will go to the country on that and we will take the \$22 million any way we get it.

The real fact of this matter, in a more serious vein, is this, that the agreements are not satisfactory. They are not satisfactory in the least.

That is one of the reasons why we need a Conservative victory on March 31 in the interests of this province, because the Liberal and CCF axis voiced at these agreements—there was not a dissenting vote of the CCF against these agreements when they were put into force, or passed as enabling legislation, last year. Their axis rammed it down the House, and now neither of their policies, that I can see, in the coming election holds out any hope to any province that these agreements will be amended.

There is only one party which says that it will do something about amending these agreements, and that is the Conservative party. That is one of the fundamental reasons why the Conservative party must be returned to power for the interests of the country and for the interests of this province on March 31.

The real fact of the matter is, and the Liberals and the CCF members have never understood this, they have always been centralists, they have been centralists for a long time, from away back, they believed that trees and crops and economy lacked water and starved from the top down, but they do not, they starve from the bottom up.

It is the municipalities in the provinces which are providing the atmosphere and the area for development, the areas for producing

revenues. That is why, it seems to me, incongruous and almost economically a little immoral that we should see all parties clamouring in Ottawa to reduce taxes at the top while the municipalities and provinces at the bottom are faced with increased debt and increased taxes.

It seems to me, Mr. Speaker, in relation to these tax agreements, that the real test of a good tax agreement is whether it reflects the amount a province has created in terms of its debt, its total income, and its cost to service—the created income—and I respectfully submit that the tax agreements should not be amended, they should be repealed.

I submit that the tax agreements should be substituted for an agreement based on the contribution that a province makes to the gross national product of Canada and, secondly, that these agreements should be augmented by regional assistance grants, and thirdly, that there should be a floor put under revenue, so that the agreements, the new substituted agreements that I would enforce, would have 3 parts:

First, each province would receive 3 per cent. of its contribution to the gross national product. The gross national product of Canada is \$30 billion. Ontario produces 40 per cent. of the total gross national product, that is \$12 billion. Three per cent. of \$12 billion is \$360 million, and that is the amount that this province should be paid on that formula for giving up all of its present 3 fields of taxation to which it is entitled.

One person in this House will ask me: "My hon. friend, why do you pick 3 per cent?" I would only say back to him: Why did he, in his party, pick 9, 10 and 50?

Under part 1, then, one-sixth of the national budget would be devoted to the tax agreements and the money necessary to create the atmosphere in the provinces and the municipalities, because it is only there that the hand, the real hand and strength, of the federal government lies.

The second part I would still continue as equalization payments, but I would not continue them on the basis of the formula, because we cannot adjust economy on the basis of a formula. We can adjust it only on the grounds of a heart of equity.

Thirdly, I believe there should be a basic floor of revenue under the agreements.

Now, Mr. Speaker, in conclusion, these agreements were never more important in the economic history of this country, and they were never more important to any province than that of Ontario, and I would say this, in closing, that I have sought this afternoon to

put to this House, some of the reflections of some of the issues for which I feel very strongly, even if on some of them I must, in so doing, stand alone. I believe this, that I would rather stand behind a principle in which I believe than behind a green curtain.

I cannot always, nor can anyone else always obtain approbation, that is something that is available only for the dead, and not all of them.

Edmund Burke said as far back as 1774, "to tax and to please, no more than to love and be wise, is not given to men" and I would commend to this House, to my hon. colleagues in it and to the government, one of the poems, a short one by Proctor, which I think has so much of the effect of today:

Rise for the day is passing,
And we lie thinking on,
But some who have buckled their armour,
And forced the fight are gone,
A place in the ranks awaits you,
Each man has some part to play,
The past and the future are nothing
In the face of the stern today.

Mr. C. E. Janes (Lambton East): Mr. Speaker, I first would like to congratulate you on the very fine way in which you are controlling your "bad boys" in the House and also to congratulate our new hon. members on being elected to this House. I am very happy to see a group of new younger men coming in. We older grey-headed hon. members must look forward to the time, probably not too many years away, when we will not be here to assist in carrying on the business of this House. It is very gratifying to see young men coming in to take over, which must of course always be the case.

I want to congratulate the hon. mover (Mr. Kennedy) and hon. seconder (Mr. Guindon) of the speech from the Throne. We always enjoy hearing my hon. friend, the mover, and I want to congratulate the hon. seconder of the motion for the very fine way in which he delivered his seconding motion. He has a wonderful voice, he could be heard in every part of the chamber.

I feel sure that there is a great deal of meat in the speech from the Throne, a great deal of useful legislation which will be to the good of the province of Ontario.

I regret that so many of my friends have passed away in the last year and have left vacancies that cannot be filled by the new hon. members, as far as we older hon. members are concerned, but that is a way of life that we must face and cannot do anything about; but we do revere the memory of our friends who have passed along to their rewards.

I want to personally thank the hon. Prime Minister (Mr. Frost) for his efforts in getting some help to our users of rural hydro in the back concessions, who are having difficulty in getting hydro in their homes. Very greatly due to the efforts of the hon. Prime Minister, who is always sympathetic to the people on the back roads, as he has shown so very often, we got hydro privileges extended, so now the Ontario Hydro will build a line two-thirds of a mile instead of one-third, which is going to mean a very great deal to many of the people in the province of Ontario.

Now, Mr. Speaker, I am coming into this debate for one reason and one reason only. As you know, I have not taken too much part in debates in this House, only when I had something I wanted to talk about, that I felt was of interest to my people and to the interest of Ontario, and something which I felt I knew something about and could discuss with some understanding.

Today, I want to discuss the pipe lines in the province of Ontario.

I am very greatly worried about a situation which is developing. I can see, in looking back, and of course, it is easy to be wise afterward to see where we have made very grave mistakes when pipe lines were first being established in this province. I can see where this government, and probably the government in Ottawa, should have got together and established a route for pipe lines across the province and kept them all controlled and confined to that area. It would have saved a great deal of difficulty and a lot of heartache to a lot of people in this province.

We all recognize that we must have pipe lines, and I have never yet heard a suggestion that we should not have pipe lines. We must recognize the fact that the traffic on our highways now is more than the highways can bear, and if oil products were not carried by pipe lines, it would not be possible to maintain highways, to service the trucks and automobiles that we own.

It might interest hon. members to know that, across my riding, I now have 6 pipe lines running east and west, and probably 10 or 12 running north and south.

We will all agree that pipe lines must go through, and that they must go through with as little damage as possible to the property owners.

A point I want to make today is that in my riding a high-power hydro line was put through without any trouble. It was a special contract when we were short on hydro, the

purpose was to get high tension in the line from Sarnia to London.

Also, the Imperial Oil pipe line went through. The company had no right to expropriate, they got through in an agreeable manner, and we heard very little about it.

The only time I had any trouble was when the contractor got out of hand and was driving through fences and was destroying property. I got on the phone and called the Imperial Oil Company, and explained what was going on, and they immediately took over, and after that, there was not a word of complaint about the Imperial Oil going through. They had no support from any government, they went through on their own.

Then I had the Sun Oil Company come across through my riding. They had no right to expropriate, and they got through quietly and agreeably. There was no quarrelling, no taking people to courts of any kind. The Bell Telephone line went across with a cable, and, of course, they have rights to expropriate, to which I will refer later on. I have a brief which was presented to Ottawa on Bell Telephone rights.

We had the Interprovincial Oil line come through, with rights to expropriate from the federal government.

I was very greatly interested just the other day to hear the question about the gas line in northern Ontario. It sounds so natural that I thought I was at home where I could hear the complaints.

Do you know, Mr. Speaker, that the way these companies, with power from the government to expropriate, start a conversation? They go into the farmer and they say: "We want the right for an easement through your property." Almost before the farmer has a chance to say a word, they say: "We are going to go through anyway, we can take your property, we have the right from the government to do it."

The farmer's first reply is, "Well, to blazes with the government for giving them that right. This is my property."

From there on it is an argument and everybody is angry.

Before I go on with the lines, I want to tell this House that the first oil well in Lambton county came into production 100 years ago last June, and that same oil field is still producing oil in paying quantities. About the same time, a salt well came into production in very near the same area. That salt well remained in production until about 1 or 1½ years ago. The company is being re-

organized now and they intend to go on producing salt.

A few years after, the first gas wells were brought in, and they have been producing gas ever since in that area, and are still producing gas in very large quantities.

Something that will astonish the House, I am going to say right now, is that from the year that the Union Gas Company brought their first gas well in, they never paid a dollar to the property owner for gas. They got that gas free over all those years.

Then they come along and want to put a gas line through and they hope that the farmers love them and will let them through. It does not look very good when we see where there are about 600 farms they had to go through, and 400 they had to expropriate or take action against.

All the opportunity the property owner has is to go to court, and he gets very little satisfaction there because, in different areas he comes before a different judge. A different judge gets different evidence and he has different ideas. We find, in one place, a decision giving them no increase on their property value but probably some increase on their damages. We find another judge takes a different view, taking a very dim view of the fact that they have a reason to cross their property, and there is a blight on their deed, and offering them \$1,000, so there we have the situation and the chance that the farmer had to get something by going to court with an oil or gas company where they had the right to expropriate.

Now I want to say here, Mr. Speaker, that the Union Gas Company knew 3 years before they started going through that they wanted that line and intended to put it through. They waited until within a few months of the time they were to go through, then in spite of the fact that Interprovincial Oil line had gone through, with rights to expropriate it, but had gone along and offered the farmers \$150 an acre and paid all damages, Union Gas came along and offered 50 cents a rod.

Can hon. members imagine that? Then, after dickering for weeks, they got up to \$1 a rod. They were not making any headway and they came along and got up to \$150 an acre, but would accept no damages to amount to anything.

The farmers were aroused about it, called me to many meetings, and there was no advice I could give them. They asked me what I would do in the same situation, and I could only answer that I would not sign, and they

did not sign, most of them, but some of them did.

It was getting late in the fall, and the pressure was beginning to come on, and the company wanted to get through. They were putting pressure on our fuel board, and I am critical of the fuel board, and I do not like to be critical of a public servant in this House but I cannot help it. We were working hard, in co-operation with farmers' federation, to get some settlement. I discussed the matter with the former Provincial Treasurer (Mr. Porter) and the chairman of the fuel board.

The fuel board sent up one of their chief gas inspectors, who worked with the federation in trying to find some other route for this pipe line which would do less damage to the farm property. They were able to arrange that the pipe line go straight across the country, do very little damage, and it is almost wholly acceptable by the people. But no, Union Gas refused to accept that route, and forced the fuel board to give way to them and issue them—let hon. members remember that they required a certificate from the fuel board before they could go through and have a right to expropriate—they forced the fuel board in this way.

It seems strange that, just at that time, representatives of all the urban centres which wanted gas landed up in Toronto, at the fuel board, demanding that this pipe line be allowed to go through. The fuel board gave way and issued the certificate.

Then they had to call these farmers into London for a hearing to state why they refused to sign up, and to inform them that they were going to give the company permission to expropriate. It did not help a bit. When they issued this certificate and issued this summons, which was a summons to the property owner, a Union Gas truck delivered that summons to the farmer. That fact did not help any, and if the farmer refused to accept it, they threw the summons on the ground in the yard and drove out.

All this trouble was caused by the fact that this government had given the Union Gas Company the right to expropriate the property. Now, I must accept some blame for this because I sat on the committee that gave that right to them, and I thought I was doing the right thing. I thought it was right at the time, but I have found out that the company took complete advantage of the privilege we had given them and made no honest attempt to settle with the property owners and got the whole countryside into a turmoil.

What bothers me very greatly is the fact that the farmers do not suggest in any way that the Union Gas Company or the oil com-

panies are taking their property. They say the government is taking their property, which in essence is true. We gave them that permission to take it. It was wrong; it was not necessary. I can see that now. It is easy to be wise, as I said before, afterwards.

I feel that we must have some change in that Act, and I have some suggestions as to some amendments which I am going to read later on, making it necessary for any company going through, whether it is an oil line or gas line or what it is, to show good will before they are given permission to expropriate the property. It must be done only where they cannot get through.

The irony of the thing is that the farmers finally offered to let them through for \$5 a rod, which was a very, very small cost when we consider that the pipe line is costing, in some places, between \$30 million and \$50 million.

Over the years, I have had so many problems with gas, and gas lines that it takes a considerable portion of my time trying to keep things in balance. Let us consider the fact that on one side of the county we have the Imperial Oil, who are a good company and have good public relations. When they go into the oil business or bore a well, in every case I know of—and I think I can say in every case—they pay the property owner a royalty on the gas and oil they take.

Just imagine the situation when I have just a road dividing two territories, and Imperial Oil are paying a royalty and right across the road the Union Gas are taking out the gas and not paying one cent.

Then we come on across the Union Gas territory, we have Imperial Oil again putting wells down and paying the farmer a royalty, keeping everybody happy and trying to co-operate with the people; they have good public relations.

Another problem that worsens matters is this: we have storage areas and we enact legislation correctly to declare that those storage areas are for the use of the people in the province. But in doing that, we forgot the fact that these were private properties, and we left the people we were dealing with at the mercy of the company. After years of negotiations, we got part of those storage areas settled, and in one storage area now they pay \$7 an acre, another storage area \$6, and in another it is about \$2. That is per annum.

In one storage area, in boring for gas, they found oil. That oil is down there below the gas. Naturally the farmer wants that oil out, but he cannot get it out because Union Gas

control the property, we have declared it a storage area.

There again, the government is to blame for the whole thing. Just outside this storage area there is some property—and it is only a few rods outside—that was formerly under lease, but the company abandoned it. A private group came in there and organized a company who drilled oil wells, and they are now producing oil in paying quantities, so hon. members can imagine how happy the people are in that former storage area.

We can go over to the riding of the hon. Minister of Travel and Publicity (Mr. Cathcart) where there was a gas area that the same company bought from Imperial Oil, where they had always paid royalties on the gas they were taking out. The company demanded this be made a storage area, and the fuel board declared it a storage area. My information now is that there is a lawsuit on it, this land had practically all been optioned at \$1,000 an acre. They came in there a while ago and offered 25 cents an acre for rental storage. I believe it is up now to \$7 an acre. But for land that is optioned at \$1,000 an acre, imagine the company offering them \$7 an acre yearly rent!

I would ask the House to remember that, in a storage area, almost none of that area is suitable for building any building on, because there are pipe lines running in all directions in those areas to the wells where they put the gas in and take it out. It means that that land has been taken away from those people, it is valuable property and we have given the company the right to take it.

I am not saying it should not be taken, decidedly it should be taken, because those storage places are the keystone of our gas lines and gas consumption in Ontario. Without the storage areas it would not be possible to bring the gas down from Alberta and use it in Ontario.

Most of the hon. members understand that this 26-inch line, coming from the Lambton county storage areas, meets the line coming from Alberta, and in the off-peak time that gas is taken back down and stored in those wells for use in the high-consumption period of the winter.

I would ask the consumers to think for a moment how the situation on a winter's night probably would be if that line from Alberta burst, or something went wrong with it somewhere near Kenora or Winnipeg; this whole area of the heart of Ontario would then have to depend on the gas stored in those storage areas.

That is how important those storage areas are to the people of this province. That is how much value those areas have to a company. And they are on private property, and I think the property owners should be given a fair remuneration for the use of their property, and if it happens to be in an area where the land is valuable, they should have a better reimbursement.

I am often asked: "What damage does a pipe line do to a farm?" I am well aware that is a very difficult question to answer to people who live in the city, who are not familiar with a farm, or our farms. It is very difficult for people in other parts of the province to realize what it does do to a farm in western Ontario.

I would ask hon. members for a moment to imagine that this is a farm, and it is not any more level than the farms in my riding. The farmer has spent a considerable amount of money; he has tile drainage the full length of that farm, rows of tile about 3 or 4 rods apart. It is just like those joins in that carpet. He issued debentures to pay for that tile.

Then a pipe line, a gas or an oil company, comes across. They will not go straight across and do less damage, no, they want to go cornerways. They go cornerways right across that area. Large machines go through and they have a trench from 6 to 8 feet wide. Hon. members can readily understand it is going cornerways across those pipes, and they have to cut the tile for about 15 feet, and then lay a pipe in there to carry the oil or gas across.

These people are travelling over with this heavy machinery, and there is probably not one drain left there that will operate. That heavy machinery has crushed all that tile, and the company refuses to accept the responsibility, and there has been nothing done as yet to make them accept that responsibility.

A letter went out to the companies saying they would have to be responsible—at least it was supposed to have gone out, I do not know whether it has or not—but the question is, if the water starts laying on this property, with the debentures still not paid for, is that farmer supposed to go and dig those tiles all up and show that each one is broken? He cannot afford to do that. That pipe line company, whether it operates an oil pipe line or a gas pipe line, should be responsible for the crop that has been damaged, and be responsible for digging the tile up.

I had one farmer who—can hon. members imagine that same farm?—this is an extreme case, but he had 3 of those pipe lines angling

through his farm like this until his area was all under-drained. He dug up some of his tile and found they were crushed, and he did so much complaining they decided to dig up his tile and fix it, and they found 120 tiles broken in the one drain. That is only one farm.

One man came to me and said: "I invested \$9,000 worth of debentures on my farm, they are going cornerways through \$6,000 of that money I spent. What am I going to do about it? Where am I going to get some protection?"

Mr. Speaker, I am asking this House to give that situation some consideration. I have an article here in the *Country Farmer*, and it finishes up this way—I am not going to attempt to read the article—the writer said there is a limit as to how far a farmer can try to fight. If he carries it too far it will cost him more than he can get back. At the moment, the best he can do is carry it far enough to get a settlement under the rules of an Act—pipe line, hydro or whatever Act it may be. If he thinks the easement damage settlement offered him by the company is not reasonable, the onus is clearly on the government to give farm property owners more protection, and to get these matters settled without cost to the farmer, if he has no say in expropriation of his own property.

That article is by G. K. Honing. He claims he interviewed the farmers on those pipe lines, and tells what they are trying to do to get a settlement and some protection. He says that they have been helpless, they have not been able to do anything.

I have a letter here from the farmers' federation, making suggestions and some statements that I hesitate to read to the House. Their secretary has been talking to the farmers, and he finds them in very bad humour, and he explained to me the situation and goes so far to say that the fuel board is only a tool of the Union Gas Company.

Now I know that is not correct, but I am just saying this to show the feeling which exists in that area.

Now, here are some suggestions about amendments. At the present time the gas, telephone and all these companies and the inter-provincial companies have the right to expropriate the property. I am suggesting that they be given the right to expropriate property after they have concluded agreements with 85 per cent. of the property owners. That establishes a price. That is the way The Department of Highways does its business.

Now, we have no problem with The Department of Highways, the men come there agreeably, and they do not swing a big stick and say they are going to expropriate the farmers' properties, they try to deal with them. Then when they finally come to the place where there are only a few properties left, they then must take the owners into court.

The land buyer on Highway No. 7 came to me last year and said, "I have a few properties left there, what will I do with them?"

"Well," I said, "you have 90 per cent. of them signed up now, probably 95 per cent. You have established a value for that property," and I said, "I have no intention of interfering with you; I think you have done a fair thing and have done the best you can."

So I feel if a company were given the right to expropriate only after they had 85 per cent. of the property owners signed up, and there was no question of preventing the line going through, then I think it would be fair.

Also in the storage area, I do not think any government should declare an area a storage area until the company wanting to use that area has made an honest effort to obtain that property and have 85 per cent. of the owners signed up.

Here is one of the recommendations I have always given the hon. members, that it is the responsibility of a corporation, where there is an indication that the drainage system has been damaged, upon notification of the landowner, that they properly repair the damage; likewise the corporation should be responsible for any crop damage resulting from their operations.

And I might tell hon. members that we had a great deal of assistance from the hon. Minister of Agriculture (Mr. Goodfellow). When conditions got so very bad, he appointed two men to follow those lines and see if the contractor carried out his instructions and put the line in the position it was supposed to be, and these men were a wonderful help. The hon. Minister was not able to smooth over the sores, but he did so in at least one instance where these contractors operated 24 hours a day, and had no respect to the people's property.

If the contractors can raise their machines and put the line in at half the required depth, they can get along a lot faster. And this representative of the hon. Minister of Agriculture came back one morning and found that a contractor had raised the machine and gone across this farm probably 60 to 100 rods at half the depth. The representative immedi-

ately stopped him and made him fill that in and start over again and go down to the proper depth. He did not have any trouble after that.

Here is another suggestion that I think has merit, that in order to eliminate possible discrepancies in fuel board hearings, a court stenographer attend all hearings to record minutes. The board holds hearings and they have no stenographer, and there is always a chance for argument about what was said. And every time the farmers have wanted to question anything that had been going on, they found they were up a blind alley, they could not do anything.

Here are others: That all damages assessed by the Ontario fuel board be paid for by the corporation, and I think that is very fair. Designated pipe lines should be laid parallel. There should be no municipal drainage damage that may obstruct the regular flow of water.

Then, I suggest that storage areas be assessed. There we have a very valuable asset in those municipalities that are not assessable, according to The Municipal Act. If that storage area was not there, the companies would have to have huge tanks such as can be seen here, where the Texaco people are operating now. These would cost many millions of dollars, and it would carry a very high assessment. I think those people, who have to put up with these pipe lines being on their properties, should be permitted to assess municipally those storage areas.

Now, I want to say a few words on the telephone situation and the Bell Telephone Company, another group that have federal rights to expropriate. And in doing that, I want to first express our gratitude to the independents, I am speaking now of the independent telephone companies of Ontario, and to our hon. Minister of Agriculture for the very great assistance he has been to us in the last year or two. He has taken a real interest in our companies and our problems, and I know I am expressing the feeling of all the independent telephone companies when I extend gratitude to the hon. Minister of Agriculture for what he is doing for us.

Now, hon. members may wonder why I am bringing the Bell Telephone into the picture. As I have said in this House several times, I have been in independent telephone work for quite a number of years, and I am speaking of another company that has a federal charter.

I want to say that indications are there is a new look in things at Ottawa, and I think,

if action is taken at the present time, that we could get a change in the Act making companies with federal rights and with federal charters come under provincial legislation. And I want to say that, in our sister province to the east of us, they do come under provincial legislation. Whether they like it or not, they are told to come under it "or else," and they do, they have no problems there at all with paralleling lines and so on.

Now here is a brief that was presented to the federal hon. Minister of Transport (Mr. Hees), and I have been asked to read it to the House, and I think it is well worth reading. This is a letter by the Canadian Independent Telephone Association to the federal hon. Minister of Transport, and to the Ontario hon. Minister of Agriculture.

The brief is much longer, but here is the part that I wanted to bring before the House:

We would also like to bring to the attention of the Minister a matter vitally affecting the interests and rights of independent telephone operating companies in Ontario and Quebec. That is the intention of the Bell Telephone Company of Canada to disregard established routes and territories served by independent companies and the lack of legislation to prevent this condition. May we, Mr. Minister, present some actual cases of the Bell Telephone Company invading both the territories and duplicating the established routes of other independent companies—

Take, for instance, the route between Fort Frances and Fort William. On January 12, 1957, the Bell Company took over the operations of the municipally-owned exchange at Fort Frances, and by means of leased Canadian National Railways lines, provided toll service between Fort Frances and Fort William.

This service has been provided by lines of the Northern Telephone Company, Ltd., and leased from Canadian National Telegraphs and operated at its toll centre at Atikokan.

This, of course, not only meant a direct loss of revenue to the Northern Telephone Company, but it also meant part of the leased circuits are now surplus but still must be paid for under lease with Canadian National Telegraphs.

The Northern Telephone Company objected strongly to this duplication of facilities to the board of transport commissioners for Canada, under letter of April 26, 1957. The

secretary of that board replied on May 1, 1957, stating:

I am not aware of any statutory provision giving power to the board to prevent the company giving the services objected to by you. If you consider that there is any such statutory provision, please write to me and indicate the section and statute giving such powers; without such powers the board will not be able to give effect to your objections.

It means the board was helpless—at least it refused to take action.

Here is a matter of evasion of territory at Lester Falls.

North Western Communication Ltd., with quarters at Kenora, had furnished radio and telegraph way-circuit service to this Ontario community since October 3, 1952. They were planning to establish exchange services as early as possible in 1957. Most of their equipment was on the site, ready for installation, when the Bell Telephone Company moved in with a mobile exchange. Both companies are now operating exchanges and complete outside plans at this place. Their exchanges and their subscribers do not connect with each other, and coupled with the fact that they also have different toll routes, this leads to endless confusion and extremely poor service to all subscribers.

In 1956, the Bell Telephone Company established an exchange in Vermilion Bay, with outlines north of the Canadian National Railway at Red Lake Road. This Ontario point had been previously served on the circuit by the Canadian National Telegraphs.

There are many places in Ontario and Quebec where the Bell Telephone Company invades the territories served by independent company exchanges. Instead of stopping at the boundaries of the independent companies, they take their toll lines right to the independent companies' exchanges. This effectively bars the independent companies from receiving the toll haul which is a looser part of the telephone business.

May I point out that all Ontario chartered companies coming under the jurisdiction of The Ontario Telephone Act, 1954, are prohibited from duplicate service by invading served territory by section 69 of the Act which reads:

No telephone system shall erect poles upon or along or adjacent to and parallel with any portion of a highway, upon or along which the pole leads of another system are already erected or otherwise by

means of its plant or part thereof, duplicate the plant or compete with any other system which furnishes telephone service in the same locality in which the first mentioned system proposes to furnish this service, unless by the consent of authorities.

Further, may I quote from the Northern Telephone Company's letter to the federal transport board official which reads:

Unless the Bell Telephone Company of Canada is prevented by your board from duplicating and paralleling service of an Ontario chartered company, then such company is simply at the mercy of the Bell Telephone Company, with its enormous financial resources.

On the other hand, an Ontario chartered company is prevented by law from treating the Bell Telephone Company in the same fashion. It is also obvious that the continuance of these company conditions place all these 700 to 800 independent telephone companies in Ontario and Quebec at the mercy of the Bell Telephone Company wherever they plan to strike next.

I might say, Mr. Speaker, that they have invaded the territory of our own company on many occasions, and they simply tell us that they have a federal charter and they can go where they like, and we have been able to do nothing with them.

Now, Mr. Speaker, it is 6 o'clock and I could have taken up more time, but I think I have put my points over to the House, at least I hope I have. I have tried, and I hope the hon. members will understand the problem that the farmer has now with pipe lines. I hope they will understand the problem that the independent telephone company has in dealing with a company that has a federal charter.

I would ask that the government give consideration to assisting the farmers in their rights, in getting a fair payment for their property, for pipe lines and for storage areas. I also ask that consideration be given to bringing the Bell Telephone Company under the laws of the province of Ontario. Surely we have grown up.

Mr. A. Wren (Kenora): May I move the adjournment of the debate.

Motion agreed to.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before moving the adjournment of the House, I would say that the hon. Minister of Mines (Mr. Spooner), in whose depart-

ment these questions have been raised by the hon. member from Lambton East, and the field board will give them, I am sure, careful consideration. The hon. Minister has been in his seat through most of them. I would say that tomorrow, we will proceed with the Throne debate.

Hon. Mr. Roberts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.00 of the clock, p.m.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Friday, February 14, 1958

Speaker: The Honourable A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, FEBRUARY 14, 1958

2 O'CLOCK P.M.

THE CANADIAN PACIFIC RAILWAY COMPANY

And the House having met.

Prayers.

Mr. Speaker. Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Motions.

Introduction of bills.

THE TOWNSHIP OF CHINGUACOUSY

Mr. T. L. Kennedy moves first reading of bill intituled, "An Act respecting the township of Chinguacousy."

Motion agreed to; first reading of the bill.

LINDSAY SEPARATE SCHOOL BOARD

Mr. W. A. Stewart moves first reading of bill intituled, "An Act respecting the separate school board of the town of Lindsay."

Motion agreed to; first reading of the bill.

WINDSOR JEWISH COMMUNAL PROJECTS

Mr. W. Murdoch moves first reading of bill intituled, "An Act respecting Windsor Jewish Communal Projects."

Motion agreed to; first reading of the bill.

ST. PETER'S CHURCH, BROCKVILLE

Mr. Murdoch moves first reading of bill intituled, "An Act respecting St. Peter's Church, Brockville."

Motion agreed to; first reading of the bill.

HURON COLLEGE

Mr. W. A. Stewart moves first reading of bill intituled, "An Act respecting Huron College."

Motion agreed to; first reading of the bill.

Mr. A. H. Cowling moves first reading of bill intituled, "An Act respecting the Canadian Pacific Railway Company."

Motion agreed to; first reading of the bill.

Mr. Speaker: Orders of the day.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before the orders of the day, I would like to make an announcement of, I think, some importance to our municipalities and to others in the province. I have arranged that the particulars of this announcement be sent to all of the municipalities in the province today.

The government of Ontario has made an intensive study of the type of provincially assisted works programme that would produce immediate employment. This type of programme would involve work and the payment of wages. It would be a substitute for direct unemployment relief. It would contribute to the providing of work of a temporary nature for those able to work and not eligible for unemployment insurance benefits.

A number of municipalities—including Metropolitan Toronto—the cities of Toronto, Ottawa, Windsor, St. Thomas, Sarnia, Kitchener, Welland and North Bay—have made representations to us for the establishment of such a programme. The programme proposed by the board of control of the city of Toronto is a good example. It was pointed out by its board that we have, in the city, unemployment insurance and things of that sort, but still there is a residue of unemployed left over, and it is that residue which is causing difficulty.

I may say that the same situation also applies to representations made by the city of Windsor in connection with some of their problems.

The incidence of unemployment is, of course, much heavier in some places than in others. As a matter of fact, in some municipalities there is no unemployment, and therefore no unemployment problem. Yesterday I was, with some of the hon. members of this House, discussing these matters with

representatives of several municipalities in northwestern Ontario, and they outlined their problems to me.

To meet this situation, this government has determined upon the following course:

Effective tomorrow, February 15, the government of Ontario will reimburse municipalities to the extent of 70 per cent. of the direct labour costs which are incurred before May 31, 1958, on special municipal projects or works undertaken in each municipality.

The formula will apply to all municipalities—including area municipalities and counties—as a form of special assistance to stimulate work and relieve unemployment.

It is not designed to provide funds for any projects or works which would be undertaken in the ordinary course by the municipality in the next 3.5 months. The province's assistance will apply only to the amount by which the municipality's expenditure for wages in the period—from February 15 to May 31, 1958—exceeds these expenditures for the same type of work or project in the corresponding period of 1957.

Municipalities that have an unemployment problem—and some do not have one—may immediately submit to The Department of Municipal Affairs a statement of their unemployment situation, a description of the special works or projects which they wish to undertake, and an estimate of the direct labour cost in such special projects. Upon notifying The Department of Municipal Affairs, the municipality may proceed. In other words, the investigation of the problem then is our job and our onus. The municipalities may go ahead at once, but they have to notify the department of the work they are doing so that we can look at it if we want to, as I will mention in a moment.

The Department of Municipal Affairs, with the assistance of The Department of Public Welfare, reserves the right to pass upon and approve any project submitted. Obviously, in a plan such as this, good faith is a very necessary condition. The projects must involve additional work and employment over and above the municipality's ordinary undertakings, and the wages so subsidized would be for unemployed workers who are not entitled to receive unemployment insurance.

The projects and works referred to may include, but are not strictly limited to, the following:

- (a) repairs to sidewalks, streets, roads and sewers;
- (b) park and beach clean-up and renovation;
- (c) repair and painting of buildings;

- (d) renovation of heating and wiring facilities;
- (e) clearing costs of redevelopment projects which are not subsidized by the province (this would include a land clearance project in one of the municipalities, and if it is not subsidized by the province then the wages would be subsidized); and
- (f) tree planting and trimming.

As pointed out, the provincial assistance will amount to 70 per cent. of the direct labour costs incurred on such works and projects up to May 31, 1958. Projects which will not be finished by that date will be eligible in respect to costs incurred up to May 31, 1958.

In determining the special projects or costs towards which the province will contribute, consideration will have to be given to the grants made by the province under any other arrangements, in which case adjustments will be made.

I give a case in point, Mr. Speaker. We subsidize, for instance, work on roads and things of that sort. That subsidy, of course, would be taken into consideration. I do not know the details of how it would be adjusted, but it would have to be done on some equitable basis.

The amount of \$5 million will be placed in supplementary estimates for the fiscal year ending on March 31 next for this purpose. As the magnitude of the problem is unknown, it is impossible to make any accurate determination of the amount of the provincial contribution. Accordingly, the plan will be financed by a supplementary estimate in the ensuing year and a full statement will be submitted to the next session of the Legislature.

Obviously, this programme of assistance is experimental, and I point out that it has never before been attempted in this province—certainly not on this basis; but it has interesting possibilities. Essentially it is based upon providing work and wages instead of relief. The experience gained this year can be a guide to its feasibility should the need arise in future years.

The following are some of the considerations:

1. While this plan is being made available to all parts of the province this year, perhaps in the future—and I am merely projecting this—it could be limited to the areas in which unemployment is concentrated. In the coming years, we may be faced with spotty and localized unemployment conditions, and even though there be a high general level of employment, the development of this plan would enable us to act promptly and effectively.

May I give an example of what I have in mind. A while back we had a problem in that there was a very high level of employment across the province, but we had very considerable unemployment in Sault Ste. Marie. There is no reason why, with the development of this programme, we might not in future years—I am not attempting to do that this year—limit it to areas in which unemployment is concentrated.

2. This plan is not a substitute for a full works programme designed to maintain a high level of general employment. In many municipalities, as stated, there is no significant unemployment. In others, there is. Inevitably, with the adjustment of production to demand, considerable spottiness and unevenness may exist in employment and activity across the province. I am talking about other times, not about the situation today.

The major provincial and municipal programmes, involving the construction of highways, roads, hospitals, schools, sewers, water works and electric power, are being proceeded with on an unprecedented scale, as will be indicated a little later in the session. They are adding physical projects of great benefit to our people, affording employment for many thousands of workers, and giving rise to effects which will permeate the whole economy.

The plan for temporary employment now being introduced is no substitute for the longer term capital programme which will be described soon in the budget.

The special provincial assistance, which we are now introducing to stimulate works to relieve the unemployment of those not eligible for unemployment insurance, is designed to supplement our long-term programme and meet the requirements during the winter and spring months of those municipalities which are confronted with an unemployment situation. In this way, a very notable step is being taken to assist the municipalities and to reinforce employment generally.

3. Last December, a very far-reaching plan of direct unemployment relief assistance was introduced, providing for a federal and provincial contribution of 80 per cent. Our objective, however, is to provide work and wages. The new provincial plan does this. There will be no federal contribution or participation in this. I may say that we have never discussed this with the federal government, and it is entirely a provincial project. Therefore, I say that there will not be any federal participation and contribution, and

that is the reason for the provincial contribution of 70 per cent. and the municipal contribution of 30 per cent.

The province could not and should not be placed in a position where a large proportion of the direct relief costs would be shifted from the federal-provincial direct relief programme unless, of course, there is a significant contribution in real work. Thus there must be some differential in the two plans, and the government has endeavoured to keep this as low as possible.

It would work out this way: For an extra 10 per cent. which increases the municipal contribution from 20 to 30 per cent., the municipalities may institute works which will be of great benefit to their people. In other words, instead of paying 20 per cent. for direct relief, if there is work to be done which is of benefit to the municipality, by adding 10 per cent. the municipality may get that work done and the province will contribute 70 per cent.

This means that provincial and municipal dollars will go to the betterment of the community. Furthermore, unemployed persons, instead of receiving relief assistance, will have the benefit of doing work as so many of them obviously desire.

4. The wages to be paid by the municipalities are to be the standard wages paid by them for the type of work done under normal conditions. In other words, there is to be no cutting of the general wage level for the type of work carried out.

If this plan of relief work is successful, and is capable of development, then, of course, experience might justify federal participation next year or the year following. However, this year the plan is being wholly sponsored by the province, which will bear 70 per cent. of the direct labour cost.

If a good type of work can be evolved by the municipal authorities, it would be advisable, I think, in another year for the federal and provincial governments to contribute rather than to rely on direct relief, with all of the undesirable elements which flow from that type of assistance.

Nevertheless, that type of assistance is very necessary and, I think, is very desirable, and has to be used to meet certain cases. But I think that our experience of the years of the 1930's was this—and I think it is one of the things that we have to look back on now with some regret—we did not do work that we might have done in those days instead of putting so much money into direct relief.

This programme is being advanced on an experimental basis. Its success will depend upon co-operation and good faith. It has many desirable features, and can be amended if necessary to meet conditions in the future.

This year it will be limited in operation to May 31. The organized resources of The Department of Municipal Affairs and The Department of Public Welfare will be made available to carefully check the results and to present to the House a full report at the next session of the Legislature, together with a statement of the cost and the additional monies, over the supplementary estimates that I have mentioned, that will be required to finance the expenditures involved.

Mr. R. Whicher (Bruce): Mr. Speaker, I did want to ask a question. I am sure there will be many municipalities in the province of Ontario which will appreciate what the hon. Prime Minister has said, but my question or couple of questions are these:

Firstly, in matters of construction—roads, sidewalks, bridges or things like that—it is generally necessary that a construction firm be hired to do that type of job. Now, will it be necessary for these construction firms to employ unemployed workers in the municipality concerned, or will they bring in their own staff?

Hon. Mr. Frost: This is directed entirely to the matter of persons who are unemployed and who are not eligible for benefits from unemployment insurance.

Mr. F. R. Oliver (Leader of the Opposition): Would there not have to be some provincial obligation imposed to see that it was unemployed workers—

Hon. Mr. Frost: Mr. Speaker, I would say to the hon. leader of the Opposition that the situation is this, if it was necessary as a preliminary to go over all of these cases, it would take 3.5 months to process them. What we are doing is this—the municipality will notify the government of its projects and the particulars that I have mentioned, then they can proceed. Let us take, for instance, the county of Grey. The welfare offices there can very readily check over with the municipalities the names of persons who are on the relief rolls, and if there is any difficulty then, of course, an objection can be raised.

But, in the meantime this statement is being given to the municipalities; their officials will understand the conditions, and it is up to them to live within the terms of the arrangement.

The idea is this—to assist the municipalities and to assist the unemployed persons who are not eligible for unemployment insurance. There is one variation—or one addition—to the conditions which I should mention.

After all, we cannot be too rigid. There are some cases where persons in receipt of unemployment insurance are also receiving relief benefits because of the size of their families. Now, in that case, we are going to include them in this programme. But to avoid making my statement too complicated, I have not mentioned some of these additional points.

Now, what is going to be involved is the use of good sense. I think that our relief officers understand the problem, and they know the people who need this type of work. With the municipalities I think it can be very readily arranged that if any question arises, it can be resolved at the local level.

We are not hunting for technicalities, we are looking for ways and means to give people who have no unemployment insurance a chance to do work if it is available for them, and if they are qualified and feel they are able to do it. But we are not restricting the municipalities in special cases such as I have mentioned.

Mr. T. D. Thomas (Oshawa): I am very glad that the hon. Prime Minister gave that assurance. There are some people, of course, in the municipalities who have unemployment insurance, and some of them are receiving as low as \$24 a week, and are also being assisted by the local relief officer.

If they are allowed to work on any of these kinds of projects, well, that is fine. But after all, Mr. Speaker, I think we should keep it in a proper perspective. There is only a sum of \$5 million being allotted for this, so it is not going to go very, very far.

Mr. D. C. MacDonald (York South): I would like to ask the hon. Prime Minister a question, but before I ask that question, I would like to submit, Mr. Speaker, for your consideration not necessarily today but for the future, that when an announcement is made by the government, this is in a completely different category from a question of privilege on which you quite rightly yesterday said that there could be no debate.

It seems to me that, when an announcement of this nature is made by the government, an unfair advantage is placed with the government, and even more important, the Opposition is deprived of the right to fulfil its role in the House if limited debate is not permitted.

I do not wish to dispute your ruling but I just respectfully raise that for future consideration, because it seems to me this is a different situation than the one yesterday in which I think your final warning to the hon. members was a very valid one.

The question that I want to ask the hon. Prime Minister is, why is the government not putting this on the basis of a 100 per cent. underwriting of these projects? The reason why I ask it is this:

There is one principle involved in what has been indicated which I think is very good, and I am glad that all governments are now coming around to it, and that is the proposition when we have unemployment the answer is to provide work, not to provide relief. Relief is an undignified and a demoralizing kind of thing for the people involved.

But if we analyze what the hon. Prime Minister has just said, we notice that he emphasized first, that this is not designed for programmes that may now be on the board, so to speak. This is for a new programme to provide extra employment, and the municipalities are asked in effect to develop that programme and to submit the proposals to the government.

The government is willing to meet this on a 70 per cent. basis. That means that the municipalities are going to be left with 30 per cent.

Now, on the basis of the figure of \$5 million, what the hon. Prime Minister is asking, in effect, is that the municipalities must dig up from somewhere the sum of \$2.143 million.

Now, most municipalities already have budgets that are strained beyond their capacity to consider new projects.

Furthermore, the very municipalities that the hon. Prime Minister desires to help, namely, the ones that are facing serious unemployment, are the very municipalities which are going to be facing the greatest difficulties in raising more money from anywhere, because they are facing dropping revenues because of the fact that so many of their people are unemployed.

Certainly, that must be the case in an area like Windsor, for example, where with such a number of unemployed the revenues are dropping.

Now the question I want to ask the hon. Prime Minister is, that if he wants this to succeed, why does not the government take away from the municipal level that which he himself says is unfair to leave at the provincial level as a long-term proposition? Namely, the problem of coping with unemployment and

the financial responsibilities of it which cannot be handled by a tax basis as limited as the municipal tax base.

Why did the government not put this on the basis of 100 per cent. underwriting, rather than giving a 30 per cent. underwriting to municipalities when they cannot cope with it?

Hon. Mr. Frost: Mr. Speaker, of course, such a suggestion is completely impracticable. We have to have, in the carrying out of such a project, some fiscal responsibility on the part of the agency doing the work, otherwise chaos would result. Now, after all, let us remember that this is public money, and as such should be subject to the safeguards that should attend the expenditure of such money.

I mentioned a large number of municipalities in my statement, and I had communications from and correspondence with others not mentioned. The requests for assistance in this regard have ranged from 50 per cent. to 80 per cent. In looking at it, we felt that we should bring it as close as possible to 80 per cent. level and still leave a differential, because the province is doing this programme itself.

If we were to make it 80 per cent., we would probably be faced with the municipal administration saying that there would be no difference between unemployment relief and this works programme. Therefore, it would not make any difference how the recipient was handled, but it would make a difference as far as the province is concerned, because on this programme the entire 70 per cent. is payable by the province. That was the point.

The requests that were made by various municipalities ranged from 50 per cent. to 80 per cent., and we arrived at 70 per cent. as the most practicable figure.

Again, the programme is experimental; we have no idea as to what the result may be. We have no idea as to the extent that this programme will be used, but I would say that I think we have placed the percentage at a very generous level.

Furthermore, we have left it this way: In years to come, there may develop a federal-provincial programme on the basis of 80 per cent. As far as I know, this type of programme has not been attempted in Canada before, and the resulting experience may be such that the federal authorities would come in, in another year, and share the cost the same as they do now with unemployment relief.

If this programme is successful, it would be wholly desirable for this reason—that this

government would be doing something to eliminate the area in which there is no work and in which there is the factor of relief which so many people dislike and with good reason.

Mr. Whicher: I would like to say that I agree whole-heartedly with the hon. Prime Minister that the municipalities should accept at least 30 per cent. of a project such as this. But I would like to point out that I do hope the government is most elastic in the construction projects that they will allow, because in weather such as we have at the present time, some projects are impossible.

I jotted down only a few of the projects the hon. Prime Minister suggested—take painting as an example. Well, it is impossible to paint outside in this weather and will be for some months to come.

Sidewalks: we cannot put sidewalks down in this weather because obviously the concrete would freeze and be useless.

Roads are another measure that were suggested. Well, there is very little construction of roads in this type of weather.

Therefore, I hope the government will come forth with some other suggestions as to projects which can be undertaken, considering the weather.

Hon. Mr. Frost: The municipalities will do that, they will come forward with the suggestions all right, they are very original people.

Mr. Whicher: I hope the government will agree with those suggestions and will pay the 70 per cent.

Mr. Speaker: In connection with the rules of the House, I would just like to say I had no part in writing the rules of the House, my responsibility is to enforce them as best I can.

I would say this, that I think a revision of the rules of the House is long overdue, but nevertheless at the moment we must enforce the present rules of the House.

Before we call for the orders of the day, I would like to welcome to the assembly this afternoon a large group of students from the Toronto Teachers' College.

Hon. Mr. Frost: Mr. Speaker, before the orders of the day, I must apologize to the hon. leader of the Opposition. Yesterday afternoon he asked me a question, and I must admit I completely forgot about the answer until I entered the House, but I assure him I will have the answer on Monday at the opening of the House.

THE SPEECH FROM THE THRONE

Mr. A. Wren (Kenora): Mr. Speaker, Sir Winston Churchill, when he was addressing an audience in Britain during his parliamentary career, met an admirer of his at one of his halls who said to him: "Doesn't it thrill you to know that every time you speak the hall is filled to overflowing?"

Sir Winston answered and said: "Yes, it may be flattering, but if I were being hanged today instead of speaking, the crowd would be 3 times as large." Before I get through this afternoon, there may be a hanging.

At the outset, I would like to compliment you, Mr. Speaker, and express my appreciation to you for the fine manner in which the business of the House is conducted, and in addition to that would like to mention the kindly assistance that is always available to the hon. members through the facilities of the Speaker's offices in the interval between sessions.

Yesterday, some discussion took place about an announcement of the hon. Attorney-General (Mr. Roberts) at which time I briefly stated I thought the only thing I could find wrong with what he had said or done was that the Opposition—or at least the hon. leader of the Opposition (Mr. Oliver)—should have had some pre-knowledge of the statement he was to make.

I would like to emphasize this again in speaking this afternoon, because I think such a procedure would be fair to hon. members of the Opposition. It would enable them to better discharge their duties and obligations, especially since it is a requirement of the hon. members of the Opposition that they submit questions, usually in writing, to the Speaker and to the hon. Minister concerned so they may intelligently deal with the questions.

I think it might enhance the conduct of the business of the House if such information were made available beforehand to responsible people on this side.

I want to say something, too, about the hon. members' addresses dealing with the speech from the Throne. I was particularly touched with the remarks of the hon. member for Peel (Mr. Kennedy) who has always been well loved and well respected by all hon. members of the House, and I can recall very well my first weeks in the Legislature when the hon. Colonel was of great assistance to anyone who sought advice on rules, procedure and the various things a new hon. member runs into which he finds so very confusing.

I was also interested in the address of the seconder, the hon. member for Glengarry (Mr. Guindon), but of course it was not in the same tone and it did not have the same flavour as the address of the hon. mover.

Yesterday I was rather surprised at the leader of the CCF party, the hon. member for York South (Mr. MacDonald), who wondered how the hon. leader of the Opposition had got some matters confused in regard to the proceedings and possible reports of the labour relations committee.

I would like to say to the hon. member for York South, Mr. Speaker, that perhaps the hon. leader of the Opposition is in somewhat the same position as the newly-nominated CCF candidate in Kenora, when he said this the other day—and I am quoting from the *Kenora Miner* of February 10. He said, and I quote:

While most of the meeting was devoted to organizational plans, Mr. Welsby spoke at some length on his reasons for becoming a CCF member. "As a union member," stated Welsby, "I, along with 4 other labour representatives, presented a brief before the select committee on labour of the Ontario government. Of the 11 men who sat on that committee, only one tried to help us in our presentation. The others seemed most intent on picking holes in our requests, requests that our union people felt were well reasoned and just. That man, Donald C. MacDonald, whom I was later to learn, was the leader of the CCF party in Ontario, was called out of order nearly every time he attempted to speak in our behalf."

Now I do not know what is wrong with the CCF public relations or their nominated candidates for office, because they will not be elected up there, and are not even aware of who their hon. provincial leader might be.

Mr. MacDonald: Ask Rt. hon. C. D. Howe. He thought the same.

Mr. Wren: Well, I was a bit concerned about that because every time there is an election in the Kenora district, be it provincial or federal, we lose some citizens because the CCF candidates move out of the district. On March 31, the situation will not change this time, we will not lose any citizens because this time they had to import a man from Port Arthur to run because there was no one in the riding who was interested in accepting the nomination.

In fact, the president of the CCF riding association, who is a barrister in the community

was very willing to pay the Ontario Bar Association the sum of \$1,500 to enable him to move from Saskatchewan into the district of Kenora where he could practice law and earn himself a reasonable living.

Now, the hon. CCF leader the other day mentioned something about collusion and I think he suggested that the hon. Minister of Mines (Mr. Spooner) had engaged in some sort of an agreement with someone in the Cochrane district so that no Liberal candidate would run in the last provincial election, thereby enabling the hon. Minister to gain that seat.

I think the hon. member for York South was again talking from hearsay, but I can tell him that it is a fact that people with Conservative persuasion in the 1951 provincial general election did pay, and did finance, the running for office of the CCF candidate in the Kenora district. That is not hearsay but a matter of actual fact.

He also mentioned that the hon. member for Elgin (Mr. McNeil), he thought, was somewhat of a turncoat; he suggested that perhaps he changed his party affiliations; he had once been a Liberal and became Progressive-Conservative and thus had become elected to the House.

Well, I would say to the hon. member and to all hon. members in this House that I do not think Canada was built, and I do not think Canada will build, with people who are entirely conformist. This is a free country, and if the hon. member for Elgin was interested in changing his affiliations—and I do not know whether he did or not, because I do not live in that part of the country—I would say that is his business and the business of the party which saw fit to accept him if he did so.

Interjection by an hon. member.

Mr. Wren: Now, I want to say something else, and I will deal with that soon in my own fashion. I do not need any assistance from York South. I think that the hon. member for that riding will find when the next election rolls around that perhaps there might be some changes in his own organization as well.

I want to say, Mr. Speaker, at the outset—seeing that this interjection has risen—that one of the prime reasons that prompted me to go into politics—because I was as surprised as anyone when I was first elected—one of the prime reasons that put me into the political arena at all was that when I came back from overseas, I found a CCF member sitting in the provincial Legislature for the riding in which I live.

I set to work to chase him out of the riding—chase him out of the seat, I mean—and I did. And I will see to it that no one else of that affiliation, at least under the present policy of the party, ever holds that seat again. The hon. member can be sure that the Tories and the Liberals will fight that out among themselves as to who will be the member, but at least we will know what we are fighting for.

Last summer a large number of the hon. members of the Legislature travelled through the northern part of Ontario on one of the usual "members tours," which was organized by the hon. Minister of Lands and Forests (Mr. Mapledoram) and his department, and even I was very amazed, having lived all my life in the north country, to see the great developments which are taking place all across the north, particularly in the new base mining area.

I think the southern hon. members particularly got a very keen insight into just what is taking place in the north, and the opportunities which are available to the government and to capital generally for investment in the north country.

There is one significant thing, too, about the north country, particularly with the events which are shaping up for March 31. We hear some people mention that Quebec is the only province, or the only area in Canada, where the Liberal party seems to have a firm hold. Federally, in northern Ontario the Progressive-Conservative party does not hold a single seat, and I cannot predict that after the events of March 31 that situation will change. I think part of the reason is that we have the large international development in that part of the country, the large international investment, to be more clear, and this is due to the fact that we did have far-seeing policies which brought that investment into areas like Steep Rock, Manitouwadge, and so on, and I think it is something well worth mentioning.

There is another matter I want to discuss which is not entirely within the confines of the business of the province of Ontario, but it is something which is going to have a very marked effect on vital issues in this province. I am referring now to the report of the Royal commission which was just released recently on the use of diesel firemen on the railroads.

First of all, at the very outset, I want to clear up some misapprehensions that are on the minds of many people when they discuss railroad work. There is some very decided misunderstanding that, just because someone works for the railway, he makes a

lot of money, and that his wages are very high. I want to assure this House, Mr. Speaker, that it is not so.

There are some trades in the railway where incomes are admittedly high, but only in proportion to the extra hours and the extra time these men put in on extra miles on their runs. The situation is quite similar to that of men in factories in southern Ontario who make a certain salary at 40 hours a week, but who make a greater take-home pay if they work 55 and 60 hours. That is the situation there.

I think hon. members would be surprised to know that there are railroad men working in the north country for both railways, who are isolated from all communities, living out in section houses where their take-home pay is something like \$40 per week, and where they have no hydro, no modern facilities of any kind, no educational facilities except correspondence courses provided by the department, and an occasional visit of a school car.

I certainly do not suggest that everything is not being done to help that can be done, but I do suggest that the incomes of those people are certainly substandard, and certainly the conditions under which they live would entitle them, if they were working for either the provincial or the federal government in the northern areas, to an extra allowance for hardship.

Now the railways are making quite a story about this being a bad time to deal with wage increases, and a bad time to deal with situations where they feel staffs of certain kinds are no longer needed.

One very important aspect of this whole situation that the Royal commission did not look into, and I cannot understand why the union counsel did not raise the matter—there may have been some good reason; I do not know—but one very important feature of this situation which was not discussed at all is the proposal which the railroads made to recompense men who might lose their jobs.

The railroads' proposal was one that they would, with seniority up to 1953, guarantee their employment and, from 1953 on, would find other employment for them on the railway in other departments.

Now, with the railway unions' schedules and with their collective agreements—or schedules as they call them—it is utterly impossible to transfer men and seniority from one department to another, and impossible to put men to work in another department

at an entirely different level of wages. Yet the railway is suggesting this and I think it is their hope—as a matter of fact, I think it is the desire of the railway—to promote a jurisdictional fight between the unions and weaken the unions to the greatest extent they possibly can.

Another statement which has come out from the office of the president of the Canadian Pacific Railway is that only 100 men would be affected. Now a statement like that, I suggest Mr. Speaker, is utter nonsense. There will be a good deal more than 100 men affected on the Canadian Pacific Railway alone, and there is the Canadian National Railways, our own government line, and several other smaller railways across the country which will be affected if this decision stands.

I am disturbed, too, that one of our Canadian transcontinental railways, while it is a concern operated by private capital, was constructed in this country under great concessions granted to it by the government of the day, and today carries federal subsidies of one kind or another, particularly mail, which it has the exclusive rights over the Canadian National Railways across Canada. I am shocked that a Canadian railway, which accepts public subsidy, should put itself in a position where it is the goat for the North American Railroad Association, and that is what they plainly and simply are.

The company is trying to make monkeys out of our railroad men in Canada for the sole benefit of the American railroads in the United States system, and I will tell hon. members why they are doing it, and I am having this checked now by legal experts to find out if something can be done in this House to deal with the situation.

The reason why the American railroads have used one of our railways as a goat is because, in some of the states in the United States, the Legislatures in those states are authorized, constitutionally and otherwise, to pass legislation governing the size of crews and safety control on the railroads through those states, and several states have that kind of legislation.

They could not effectively break these collective agreements in the United States because of that very situation, but they could do it here because by mutual consent of the provinces, the dealings with the railways, due to their inter-provincial characters, were left with federal jurisdiction, and the collective agreements themselves were not framed under any of the provincial labour relations Acts,

except in rare instances, so that therefore, in order to set the scheme up in order to build up the public relations necessary to set this idea up in the United States, the American railroads persuaded one of our own to take this matter on.

There is another misconception which has developed about this, and it is written right into the report. The newspaper reports of this report say that, in England, they do not have firemen on diesel powered locomotives or helpers where the run is more than 70 miles. Now that is just not so, as this report—as hon. members can see if they read it more fully—points out, because in the United Kingdom there are no diesel locomotives, there is not a single diesel locomotive in the entire United Kingdom in freight service today. Yet the impression is conveyed that in England, they operate these locomotives with one man.

Another thing has to be considered in this matter. It is all right for the railways to promote this scheme by saying: "Well, we are going to take care of this man and going to take care of that man." But what are they going to do with the senior man who is already a locomotive engineer and holds seniority as a locomotive engineer?

Well, Mr. Speaker, I will tell you what they are going to do, and they have already started out to do it. Due to the fact that they are going to have on their hands—if this report is adopted, or effected—a great many extra younger men whom they either have to find employment for, one way or another, or pay compensation in exchange. And they have already started a merciless medical check-up of senior men who are now operating our transcontinental freight and passenger trains, with the object in view of getting them out of employment and making a hole where they can put in some of this so-called surplus labour material.

What are we going to do with those disqualified men? Let us for the moment accept this statement of the president of the Canadian Pacific Railway, supposing the procedure does affect only 100 men. What is to be done with the disqualified 100 men who are perhaps 55 or 60 years of age, and forced out of employment by severe medical check-up, firstly because the company wants to get them out of there and secondly because if there is only going to be one man in charge of the front end of that train, he must have first class health? There is no question about that.

At the present time, the railway can have a man in charge of the front end of that train,

who is 62 or 63 years old, and has some slight affliction. He can operate his train in safety because he has a younger man who is trained in the rules, and is experienced in the operation of the locomotive. The younger man can assist the older man and, if necessary, take over his duties.

I suggest, Mr. Speaker, if there is any legal way in which this House can entertain legislation to prohibit the railways from operating passenger and freight trains in Ontario with smaller crews than they have now, I respectfully submit that should be done.

Mr. MacDonald: I doubt whether the hon. member would answer a question on that. He never did say whether or not he agreed with the findings of the Kellogg commission, and I wonder if he would say whether or not he agrees with the need for the fireman on a diesel locomotive.

Mr. Wren: I was coming to that, Mr. Speaker. I do not agree with the findings of the Royal commission. I have had experience on the railroad. I was born and raised in railroad circles. I have lived on and about them all my life, and when I was going to school I was a railroad fireman myself, on freight and passenger trains with the Canadian Pacific Railway.

One of the most important things which was emphasized in those days—of course they were steam locomotives, but one of the most important things which was impressed upon a young man when he took his seat in the left-hand side of that cab was this: "Be careful, be safety-conscious." The older man, who was an engineer of some 25 or 30 years' experience, usually would tell his assistant: "There are signals at this post, at that post, at this corner and that rock cut, at this crossing and that crossing. Now if your steam gets down a little bit, or you get into a little bit of trouble with your fire, leave it alone, get up on your seat. I have to have your help to see these signals." Now, they are going to take that man away.

Mr. Cowling: The brakeman does that.

Mr. Wren: No, the brakeman does not do that. The brakeman has another job to do, even on a steam locomotive. His job is to be available first of all to flag—I am talking about a moving train now—he is to be available for flagging, if the need arises for it, and secondly, he is supposed to watch the running of the train itself. He is supposed to be looking back and looking for dragging material, for "hot boxes," for any signs of danger along the train, and he must watch for any signals which might be coming from the caboose. On

a freight train in contrast to a passenger train, it is impossible to signal any other way than by hand.

Another situation which could develop, and another reason why I do not agree with this report, is that in a case of a stalled train, the brakeman's job—once that train stalls—is to get out and flag, but if there is some danger to the train or something to be done in the mid-section of the train, he might have to go back and help, or if the brakeman is injured, the engineer himself would be required to move up the track the required distance, according to the rules, and do the flagging, leaving the locomotive unattended.

I shudder to think what the consequences of lessening the crews could be. Safety is all-important in the operation of a railway, and I can think of all kinds of examples, where jobs have become redundant in appearance, where nothing has been done in that regard until management finds a situation where they want to break some railway agreements, so they seize on something like this.

I will give you one example, Mr. Speaker, right within our own government. On March 31, according to the information we have been given, liquor permits will be abolished and replaced by cards, and the purchase of liquor may be made more simple.

According to a statement by the hon. member for Beaches (Mr. Collings), who is the liquor commissioner, none of those men was laid off because of the change, and I have no quarrel with that statement. But I use it just to point out that other people have found ways and means of absorbing and continuing the services of people, and there is no reason why the railways in Canada cannot let the American railways look after their own business and let us look after ours.

Now, another matter I want to mention briefly—and I do not want to beat this to death because a lot has already been said—but I have in mind some remarks which have been made here the other day concerning the chairman of the Ontario Hydro commission. I share with the other hon. speakers the feeling that this is no place to speak about a civil servant who is not able to defend himself from the floor. But I cannot help but agree with what has already been said, that the chairman of the Hydro commission has no business taking part in matters which may be construed as political.

I wish to mention another thing, too, despite the explanation given by the hon. Prime Minister.

The hon. Prime Minister said yesterday that he was serving a very useful purpose, but what the hon. Prime Minister was talking about was imports, the importation of goods into this country and into this province. What we are interested in is exports, and I can assure you, Mr. Speaker, that the heavy industrial users of hydro—people who are in manufacturing and who are seeking expansion of trade, and of exports—are not very happy that an Ontario government commission should be promoting import of trade in competition with themselves.

However, it does appear that the chairman of the Hydro commission does not have a great deal to do and if he has not much to do there are some questions I would like to have him look up, and I would like to have him bring the answers to the committee on commissions when it meets next week or the week after.

I will put these questions on the order paper tomorrow as well, in order to give him ample opportunity to answer, and the questions are these:

I would like to know what is the total amount paid to the Canadian Comstock Company for its share of the frequency conversion programme? Secondly, have the volume purchase rebates received by Canadian Comstock for purchases of material used on the frequency conversion programme been returned to The Hydro Electric Power Commission of Ontario? What is the amount and where is it reflected in the commission's annual financial report? It seemingly cannot be found. If the volume purchase rebates received by Canadian Comstock have not been returned to the Hydro commission, is it the intention of the chairman that they will be returned to Hydro in order to reduce the overall cost of frequency conversion to the people of Ontario?

Now, there was evidence given two or three years ago before the restrictive trade practices commission of The Department of Justice, where it was a common practice for suppliers of electrical materials to give rebates to purchasers in quantities. And the Comstock Company is no exception. And I would like the chairman to make that information available to this House. What has happened to these rebates and where have they been applied in Hydro accounts?

Another matter which I would like to bring to the attention of this House, which I think

is very important, is this: In this frenzied haste between political parties these days, to be first at the door of the welfare state, there are a few people in our economy whom we are forgetting all about, and who are getting a bit roughed up in the process. I have in mind those people who are neither indigent nor wealthy, and have no means other than a few dollars in savings to help them when disaster strikes.

I have in mind one case of a woman who lives in my community, who is severely stricken with arthritis, and as a result is severely crippled. Expert medical advice was obtained, and following diagnosis the prescriptions of Meta-Cortone were raised, which enabled this lady to get back on her feet. While not regaining her health she was at least removed from the crippled stage.

The cost of those pills were between \$40 and \$70 a month, dependent on the dosage prescribed from time to time by the doctor.

Now, despite the cost of the doctor, the \$40 or \$70 had to be paid each time the prescription was filled on a monthly basis. It reached the point where the couple had to sell their home in order to get enough money to buy the pills, and it reached the stage where when that money was exhausted nothing else could be done except the person return to the crippled state.

Now, everybody in the province who knows anything about this are very sympathetic about it, and have done all they can do.

But there are still situations like that where it is impossible for the government to help under existing laws and regulations, and where it is likewise impossible for the person to help himself simply because he does not have the money.

Something has been said too, in recent days, about education. I am not going to say too much about education at this time, because I intend to deal with it at some length during the estimates in the budget debate. But I would like to say this, that in my opinion education is the best unemployment insurance scheme we can develop, the best education we can give our youngsters is going to develop our best unemployment insurance.

And I am very happy indeed with the announcement in the speech from the Throne, and later with the introduction of the bill by the hon. Minister of Education (Mr. Dunlop) to provide for a student loan system.

I well realize it is going to take some time to get this thing under way and iron out the details of it, but I am sure it will be

ready for the next session of the universities. It is going to be of great assistance to the people in northwestern Ontario, because if they are going to attend Ontario universities at all, they have to come great distances, and most of the citizens of northwestern Ontario are not in the financial area where they can stand the strain of two or three children attending school over those distances, and with the attendant costs of room and board in addition to tuition. I am very pleased indeed that the hon. Minister has brought this under way.

I am happy too with his announcement that land has been purchased and plans are under way to erect a teachers' college at the Lakehead. This is something, too, we have sought for a long time, and we are very happy with the prospect that our students from that part of the country who are interested in the teaching profession will be able to attend a teachers' college nearer to home.

Now, other than that, I will leave any further remarks I have on education to the budget debate.

I want to say something, though, about our tourist industry. It is becoming more and more important to our economy, and as was pointed out yesterday by the hon. Prime Minister (Mr. Frost), at a small gathering we had in the cabinet room, we want people in the millions, in the hundreds of thousands to come from the United States to visit us.

I feel that there is still a great deal we can do to help this situation, particularly in the time of unemployment fears. It has been advocated, and one of the hon. Ministers of the Crown at one time or another suggested that he is in sympathy with the idea, and this is that we grant loans for capital improvements to tourist camp outfitters. I think it is a very desirable form of loan to make, and a desirable form of assistance to a basic natural resource industry.

But one other thing is still a cause for concern and still a cause of anxiety to existing tourist and camp outfitters and visitors and citizens alike, and that is the present set-up of stupid liquor laws that have to do with catering to the visiting public. I know hon. members may get tired of me talking about this year after year, but I get a bit annoyed at having to see respectable people be and remain bootleggers in the eyes of the law just because they want to entertain visitors in this country who are seeking that kind of entertainment and interest.

I do not know why we cannot do something about it, and I see some small signs in legislation which is coming out in this session that something might be done. Perhaps I am under a misapprehension, but I hope that is so.

There is another avenue of assistance to which I think the tourist industry is entitled. I feel that they should be subsidized or assisted in some way in their advertising. A great deal of their advertising helps not only themselves, their particular camp, but helps business in the whole area, and I do not know why we could not make some laws to assist these people with their advertising—perhaps through assistance to a tourist council in an area. I do not know just how it might be done, but I think something should be worked out. I feel it would pay very, very worthwhile returns.

In dealing with highways, I want to pay tribute at this time to the method and way in which the affairs of The Department of Highways are handled in the north country. Hon. members will recall that, not too many years ago, I was one of the more severe critics, shall we say, of the conduct of The Department of Highways. I want to be just as fair now as I was critical then, that there has been a great improvement, and a great deal of good work is being done today, under the stewardship of the hon. Minister (Mr. Allan). No longer is it impossible to get information, and no longer is there any real concern as to how the affairs are being directed, and I think a great deal of credit is due to the new organization in that respect.

And I want to say something else, too, about the department, something which surprises a lot of people down here in the Queen City.

When they get 3 or 4 inches of snow here, the city is practically paralyzed. We can get huge falls of snow in the north and, in all my experience and I travel a good deal in the north country, since the war I have never been stuck for more than 20 or 30 minutes for want of a cleared highway. The traffic is moving all the time under the most trying and difficult conditions, and I think the hon. Minister and his entire staff deserve a great deal of credit for it.

There is another thing of which most people are not aware, and I think I will start the educational programme in this House right now, by saying this, that motorists can drive right across Ontario. They can go from one side of Ontario to the other, from Quebec to the Manitoba border, and stay within the confines of Ontario.

I get a bit annoyed sometimes by questions such as the one by a chap this morning. "Are you going home this week end?" he asked. I said, "I do not know, why?" and he said, "Well, I suppose you drive?" I said, "Yes, I could get back a week from tomorrow if I did that."

He said, "Where do you go? You have to go into the United States, do you not, in order to get to Kenora?"

I took him down and had one of the girls give him a map. I do not know whether he looked at it or not but, as the northwestern chamber of commerce pointed out very wisely, it does not have a good effect on travel in the province when even our own people are not aware that there is a trans-Canada highway system almost completed, across Ontario, and that the highway is in existence to take motorists from one side of the province to the other any time they wish to go.

Another matter which I am going to discuss in more detail again in estimates, but which I would serve notice upon the hon. Minister of Public Welfare (Mr. Cecile) that I am going to do, is the adoption programme in the province. I am going to take a very critical look at it. I think it has reached the stage, Mr. Speaker, where some of these "do-good" organizations should be called to a halt in some of their activities, and where more of these unfortunate young people should be taken into homes where they are needed and where they are wanted.

Another matter, too, that I want to discuss later, is compensation to widows and accident victims whose rate of compensation was fixed in days far removed from conditions as they are today. I think it is time, and I do not know who is going to pay for it. The hon. Minister of Labour (Mr. Daley) has told us on other occasions that industry today cannot be expected to pay for industry's ill fortune of yesterday, for the workman's ill fortune of yesterday. But neither can we expect the man who has to live today to live decently on the kind of compensation he was awarded for an injury he may have had, or for a widow for the death of whose husband had occurred, prior to 1939. Something has to be done about this situation. If the money has to come out of the general revenue fund to make these adjustments, let us make them, and put these people back on a respectable level.

Now, yesterday and the day before there was quite a lot of information given out about access roads to be constructed in the north country. Again we are moving in the right direction, and each one of those roads, when they are built, will return tenfold the money

and effort expended into putting them in. It does not matter where they are built, because the access roads committee is composed of men who know what they are doing, but each one of those roads will be very profitable.

I am particularly pleased that, in my own riding, roads which we have been seeking for some years are going into important communities and the benefit to the communities from the roads will be very great indeed, and will be very well received.

Last, but not least, in my remarks today, I want to say something more about a pet subject or pet hate, call it what you will. I refer to Indian affairs. I suggested to the hon. Prime Minister in another meeting yesterday that if he has any influence with the present hon. Prime Minister of Canada (Mr. Diefenbaker), it would be my hope that he would encourage the federal Department of Indian Affairs to go and do some house cleaning. I do not think we have any right to look at Little Rock, Arkansas, or at some of the conditions in the southern States, when we have the existing conditions among the Indians in our own province. And I think, if the hon. Minister of Education and the hon. Minister of Lands and Forests want to discuss the matter at any time, I think I am safe in saying they will say that, despite what they do to try to set up benefits for the Indian people, particularly in the remote areas, they get all kinds of promises from Ottawa but they get very little action.

The discrimination which exists, and which is encouraged by The Department of Indian Affairs, is actually sickening to behold.

I brought one matter to the attention of the hon. Minister of Transport two or three months ago, where in one section of my riding, where they were erecting new buildings, white men on the job were getting \$2.25 an hour plus their room and board. The Indian working right beside them doing exactly the same work and with an equal degree of skill, was getting 80 cents an hour. Out of this he paid his own board, in a post where a bag of flour costs \$38.50.

That is the kind of treatment those people are getting.

When things get bad in commercial fishing fields, a white man will get 17 and 18 cents when prices are down, while the Indian will get 12 cents for the same thing. And nobody does anything about it, nobody seems to care.

I am convinced that the hon. Prime Minister and the hon. Minister of Education, too, would be quite happy to take over the ad-

ministration of Indian affairs in Ontario if Ottawa would get out of the picture and leave the matter to us. I think we could do a good job.

The other day there was some announcement that for the first time, an Indian has been appointed to the Senate. I do not have the ear of hon. Mr. Diefenbaker, if I had I would tell him I would be very happy indeed if he would appoint the Indian, whom he just made a Senator, as the chairman of a special committee to look into The Department of Indian Affairs, and see what can be done to help these unfortunate people.

In education, of course, the Indians present quite a serious problem, and I am speaking now of the remote areas, because I realize that farther south there are some very excellent facilities available for the Indian people. But up my way, we are getting them up to grade 8 and grade 9 levels, then they are going back into the woods with an education that is practically worthless to them. And I can assure hon. members that those who, by one means or another, are enabled to get out and get a better education would make for themselves a very good mark in our society. I would again urge that something be done about Indian affairs in Ontario, and I think this government would be very happy to take charge of these matters if Ottawa would just get out of the road, and let somebody who is interested do something about it.

Now when the estimates for liquor come down, of course, I am going to have something more to say on that subject, too.

I want to have something more to say for this reason. It seems awfully strange to me that everywhere one goes, down here, people say: "Now, do not talk about booze, because people do not like it." But everywhere I go around Toronto and southern Ontario, everybody drinks it. It is just like the weather, nobody wants to do anything about it.

Mr. Allan: Not everybody.

Mr. Wren: Well, not everybody, but non-drinkers are very scarce. I would like to see something done to elevate this traffic, this industry, this business to a place of distinction and dignity rather than what it is now.

It is unfortunate indeed that we have to retain this beer parlour, this tavern, society to keep alcoholic beverages out of first class restaurants and establishments like that.

When we see some of these parlours and taverns—well, I just have not got a word which will fit in here because it has to go down on the record and I would not like to say what I am thinking. But some of these places certainly have to be cleaned up, and the only way we are going to be able to do it is put the business on a respectable level. So let us talk about beer and let us do something about it. Let us not all be so afraid.

Now, finally, Mr. Speaker, I just want to say that the announcement made today about unemployment is going to be welcome to the municipalities generally, because everyone is getting concerned about it. Unemployment is something I think we should be very careful with. I feel confident that the part of the country from where I come—northwestern Ontario—has a great future ahead of it, and now that these airlifts from Europe are finished, or at least these airlifts are curtailed to some extent, I would suggest Mr. Speaker, that we start an airlift from Toronto up to northwestern Ontario. If people bring some money along with them, they will get along fine up there, because we need a larger population, we need money, we need investments, because we offer great opportunities. I do really feel that the time has come when these smog infested cities, these lung-cancer culture centres, might better be divided up a little bit and moved to other parts of the province.

I assure hon. members that there is a hearty welcome waiting for them there, and I am sure that Trans-Canada Air Lines would get them up there fairly quickly.

Mr. Speaker, I move the adjournment of the debate.

Motion carried.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before moving the adjournment of the House, I would say that the plan is to proceed with the Throne debate on Monday. There may be a number of bills called of a non-contentious nature, but as stated before, if there is any question about any of them, they will be held up.

Mr. Roberts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 3.36 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Monday, February 17, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, FEBRUARY 17, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petitions have been received:

Of the corporation of the city of Sault Ste. Marie praying that an Act may pass providing a two-year term for members of the public utilities commission and the memorial gardens commission.

Of the United Community Fund of Greater Toronto praying that an Act may pass authorizing by-laws as to the manner of giving notice of meetings of its members.

Of the corporation of Anson House and the city of Peterborough praying that an Act may pass ratifying an agreement vesting all property, etc., of Anson House in the corporation of the city of Peterborough for the purposes of a home for the aged to be established by the city.

Mr. Speaker: Presenting reports by committees.

Motions.

Introduction of bills.

SUDBURY YOUNG WOMEN'S CHRISTIAN ASSOCIATION

Mr. G. J. Monaghan moves first reading of bill intituled, "An Act to incorporate the Sudbury Young Women's Christian Association."

Motion agreed to; first reading of the bill.

WATERLOO COLLEGE ASSOCIATE FACULTIES

Mr. J. J. Wintermeyer moves first reading of bill intituled, "An Act respecting Waterloo College Associate Faculties."

Motion agreed to; first reading of the bill.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1. Eleventh report of the liquor licence board of Ontario for the fiscal year ended March 31, 1957.

2. Thirty-first report of the liquor control board of Ontario for the fiscal year ended March 31, 1957.

Mr. Speaker: Orders of the day.

Hon. J. W. Spooner (Minister of Mines): Mr. Speaker, before the orders of the day, may I take a few minutes of the time of the House to tell of an event which took place at Timmins on Saturday last, which I believe is of interest to the hon. members of this House and to the people of Ontario.

On Saturday last, I had the pleasure and the privilege of officially opening the fifth school to be constructed in Ontario for mentally retarded children.

There are, at the present time, 47 local associations for mentally retarded children in various parts of the province. The Porcupine and district association for retarded children has been operating for the past several years through the co-operation of local service clubs, firms and individuals, the municipalities and their school boards, and The Ontario Department of Education. The new school, and all of the equipment in it, will also be entirely free of debt within a short time, thanks to the financial support of the parties I have mentioned and the J. P. Bickle Foundation.

As one who has been interested in supporting the local association, I can personally see that much good can be achieved in the training of these unfortunate children who cannot receive educational opportunity in the same manner as other youth of this province. I commend the work of the Ontario Association for Mentally Retarded Children and that of their associated organizations.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I take this opportunity, a very welcome opportunity indeed, which comes about once a year. I refer to the fact that this week is Brotherhood Week. This has become an institution in this province and one to which we all heartily subscribe.

The observing of this event commenced yesterday, and I know that we are all glad to associate ourselves with the Canadian Council of Christians and Jews and other very worthy organizations and, I think, with all right-thinking citizens in their great effort to bring about a feeling of mutual understanding between all peoples regardless of race, colour or creed.

In our own province, as I suppose in most others, there may be some residue perhaps of feeling which we all want to have eliminated as soon as possible. Canada has set a very notable example, since its very first days, of the ability of peoples of various races to get along together. That is the basic element of the great progress of our country. I think the fact that we have shown that example to the world is one of the great contributions Canada has made to the world.

I would say that, while we ourselves must always be on guard against things which cause lack of understanding, we should remember a word which is becoming out of date, "toleration", which used to be a great word 50 years ago. Since then, it has perhaps come to acquire a patronizing meaning.

Nevertheless, I would emphasize that we must continue to cultivate among ourselves, within our own society and our own country, a spirit of understanding. The fact that we have done so is why we are able to show the world that we can live at peace, among and with ourselves, at peace with our neighbours. I am very glad to recognize the great work of the spirit which this week exemplifies.

Mr. A. Grossman (St. Andrew): Mr. Speaker, I hope you will permit me to join in the well-chosen words of the hon. Prime Minister in support of Brotherhood Week. I know that this is generally an occasion when the hon. leaders of the parties give expressions of support on this occasion, but as I say, I hope you will permit me these few words, as I am a member of the board of directors of the Council of Christians and Jews which sponsors Brotherhood Week. I am therefore very anxious to help spread this gospel of brotherhood.

Incidentally, in this regard, Mr. Speaker, much credit is due to the national director of that organization, Rev. Richard Jones. This reverend gentleman has done very wonderful work, over the past number of years, in spreading the gospel of brotherhood, and much of the success of that organization is due to his work.

The message of brotherhood, Mr. Speaker, bears constant repetition. Aside from the very indecency and immorality of bigotry,

self-preservation demands that we eliminate race hatred. It must be apparent by now that, to overlook discrimination against others is to once again risk unleashing the gods of war from which all of us will suffer.

Bigotry, race hatred and intolerance eventually destroy our own loved ones. Surely the last 20 years, Mr. Speaker, have proven this. Those who felt that the horrible things that were happening in Europe were no concern of theirs eventually paid with their own blood or the blood of their own loved ones. Those who today may feel secure in the knowledge that they are here in a free country and therefore need have no concern (besides perhaps occasional lip service) for those who suffer in other places—for example, Hungary, Poland, the Baltic States, Africa, all over the world—are living in a fool's paradise. Unless we concern ourselves with our brothers in those places, all of us here I say will eventually suffer for it.

Brotherhood of course begins at home, and here in Ontario, our hon. Prime Minister has a right to speak on behalf of brotherhood because he and his government have been in the forefront of those who have put words into action, and have given a great example to the rest of the country in this respect.

Mr. Speaker, as one who has been deeply involved in the reception and resettlement of immigrants in the last few years, I tell the hon. members that I have seen amongst many of our immigrants a tragic outlook on life which is indelibly imprinted on their faces. This has come as a result of living for 20 years under the heels of tyrants who used race hatred to ride to power. This outlook on life, indelibly imprinted on their minds as well as in their faces, will never in many instances be erased.

We should not for a moment think that we will not have to share in the problems of many of these unfortunate people, and let us not feel that what has happened in the past cannot happen again—and here. Many years ago, Alexander Pope wrote:

Vice is a monster of so frightful mien
As to be hated, needs but to be seen,
Yet seen too oft familiar with her face,
First we endure, then pity, *then embrace.*

Now should we feel that perhaps this could not be true today, that it could not happen today, permit me to quote from *Time* magazine of January 21—not 1858, 1937, 1938—but 1958, and I quote:

In an interview between François Mauriac, one of France's leading writers

of the Catholic school and the British journalist Philip Toynbee, which appeared recently in the London *Observer*, Toynbee asked why it was (and to quote him), "Hardly anybody nowadays seems to talk about the extermination of the European Jews. The whole terrible thing has been forgotten after only 10 years."

Mauriac's reply was that he (and I quote him again) "is extremely pessimistic. During the terrible massacres committed by Hitler, I tried to console myself," Mauriac states, "that at least they would act as a frightful warning to the rest of humanity. Nothing of that sort has happened. Far from being a warning, it has provided a terrible example which has been followed all over the world. People get used to torture and they form a fearful taste for it."

I remind the hon. members that the point here is as Alexander Pope wrote many years ago—if we engage in bigotry, first we endure it, we will soon embrace it, then we will all suffer for it. And may I, Mr. Speaker, close with the following lines of John Donne:

No man is an island entire of itself.
Every man is a piece of the continent, part
of the main. If a clod be washed away by
the sea, Europe is the less as well as if a
manner of thy friends or thy own were.
Any man's death diminishes me, because
I am involved in mankind, and therefore
never send to know for whom the bell tolls;
it tolls for thee.

This is the lesson of life which we must learn if we are not all to perish in an all-consuming holocaust, if we are to ever live in peace with each other.

The message of Brotherhood Week is, "I am my brother's keeper."

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, I would but re-echo the sentiments expressed by the hon. Prime Minister and the hon. member for St. Andrew. It is well that we pause and reflect on the great principle about which we talk today.

In the last few years, hundreds of thousands of new people have come to live with us and in that testing period, we have had to learn again the essence of brotherly love and extend the principle of the brotherhood of man.

Loving one's brother, understanding his problems, seems to me a never-finished task. The price tag on better relations with our fellows is that of constant vigilance. We must be continually at work educating our-

selves and our fellows as to the moral values involved, and we must also, it seems to me, be prepared to give something of ourselves in order that there might be a unification of ideas as between the other fellow and ourselves.

In Ontario we have a reasonably good job in this regard, and the only warning word I give is that the job is never done, the relationship is never fully brought about. We must be always on our guard to improve ourselves, so that out of our relationship might come better understanding and a deeper sense of brotherly love itself.

Mr. D. C. MacDonald (York South): Mr. Speaker, I would like to re-echo, without repeating, the sentiments that the hon. Prime Minister has expressed on the opening of Brotherhood Week.

I would just like to add two points: First, to underline the statement of the hon. Prime Minister that in Canada we have perhaps an example which in this respect we can take considerable pride, an example of having throughout our history resolved these racial or nationalistic differences without the degree of violence which has been the case in the history of many other great nations.

I think, Mr. Speaker, sometimes we forget that in the history of even a country like Great Britain, they fought a number of very bitter wars, now some centuries back, before they were able to achieve a national unity because of the nationalistic and language differences that happened to be within that country.

In the great nation to the south of us, they fought a bitter civil war to resolve those differences.

We in Canada, it is true, in the 19th century had our rebellion of '37, our Red River rebellion, and our Riel rebellion, and in trying to keep up with the Joneses in writing our history we have exaggerated the proportions of these. In most instances they were Sunday School picnics by comparison with the kind of struggle that other nations had to go through, and therefore I think we can take a measure of pride in our achievements without being complacent.

My second point would be this: I think this practice that is now growing apace, of setting aside weeks for particular purposes, is at once good and bad. Hon. members will have noted that today we have not only Education Week and Brotherhood Week, but we have Fish Week, and last year I think we even came up with Tossed Salad Week.

I say this is good and bad. It may be good that we should remind ourselves for one week in the year of the eternal truth involved in this principle of human brotherhood, but there is the danger that we may think that, having paid special lip-service to it during that week, we can forget about it for the other 51 weeks in the year.

That, I think, Mr. Speaker, is something we dare not do in the kind of world we are living in, and my hope would be that sometime soon we can move from having Brotherhood Week to Brotherhood Year which would extend from January 1 to December 31 of every year, so that those principles to which we are paying lip-service will be lived up to more fully throughout the whole 52 weeks of the year.

Hon. Mr. Frost: Mr. Speaker, I desire to answer the question of the hon. leader of the Opposition (Mr. Oliver) which I was compelled to overlook on Friday, and also other questions which were raised by the hon. members opposite relative to the address at the combined meeting of the Empire-Canadian Clubs and subsequently over CFRB by Mr. Duncan, chairman of Hydro, which took place on Thursday, February 6, I think.

Now, I beg to advise that no portion of any expenses incurred have been paid or will be paid by either The Hydro Electric Power Commission or the government of Ontario or any government agency. That, I think, answers the question of the hon. leader of the Opposition.

In the meantime, however, there was a question raised by the hon. member for Brant (Mr. Nixon) the other day, and in response to other questions may I say that I have had the opportunity now of reading Mr. Duncan's address to the combined Empire and Canadian Clubs, and also his radio speech, both of February 6, and I must say that I find the thing completely non-political and I think I am a good judge of what is political and what is not. I have had some years of experience in that, and I would judge it as being non-political.

But, may I say that, if my ability to make that judgment is doubted, if my impartiality is doubted in that regard, then I would like to call to my side certain other witnesses, and among them is Mr. Henry Langford, the president of the Canadian Club. I have known Mr. Langford, of course, for very many years. Mr. Langford, I can assure hon. members, is not a member of the flock which I lead. He is a very well-known Canadian.

Mr. Langford made public a letter which he addressed to the hon. leader of the Opposition and he says:

I note by this morning's paper that you express the opinion that the recent address given by Mr. J. S. Duncan in this city showed political partisanship. This address was given at a joint meeting of the Canadian and Empire Clubs, and not the Empire Club alone as indicated by you. The meeting was arranged prior to the calling of the first present federal general election. Neither in concept nor in content was there anything political in the remarks of Mr. Duncan. Far from being the subject of attack such as was made by you, I think Mr. Duncan and other persons who are endeavouring to solve our trade problems should receive the thanks of all responsible Canadians.

Now, that was from Mr. Henry Langford, who, as I say, is certainly not political in the sense that the hon. leader of the Opposition refers to myself and the activities of people such as myself.

I have also gone to this trouble to obtain a list of the personnel of the Canadian mission. I have a list of prominent Canadians here which I do not think is necessary to place on the records of the House, but if any hon. member would like to look at it, I would be very glad to give him the list.

The composition of the trade mission is obviously strictly non-political. The personnel included, among others, Mr. Leonard Brockington, whom I do not think anyone could say is partisan from the standpoint of the party with which I am connected. Mr. Lloyd Jasper represented the Ontario Federation of Agriculture. Mr. George T. Schollie, vice-president of the Canadian Congress of Labour, was present on the mission.

I was also very much interested to see the name there of one with whom I had very considerable association some years ago, and have had association with since—Mr. Donald Stevens, the chairman and general manager of the Manitoba Hydro Electric Power Commission, which is the counterpart of our commission.

Now, that particular commission is associated with the government of Manitoba, which is of a different political faith than the one which is in office in Ontario. I do not think it could be said there is anything partisan about Mr. Stevens' membership on that commission.

However, I was very much interested in something else, and I give it to the hon.

leader of the Opposition. This mission was announced in the House of Commons on November 8 by hon. G. M. Churchill, the federal Minister of Trade and Commerce, and among the comments in connection with the trade mission was one by that very great Canadian, the Rt. hon. Louis St. Laurent, who was then leader of the Opposition, and for whom I myself have always had a very great regard. Rt. hon. Mr. St. Laurent said this:

Mr. Speaker, I am sure all hon. members of the House will welcome the statement made by the hon. Minister of Trade and Commerce and will extend their best wishes to him, and to those who will accompany him on this mission.

There is no doubt that greater diversification of our import trade would be beneficial to our economy, and the government has come to the conclusion that this is apt to be an effective way of furthering that objective.

We hope that their prognostics and hopes in that regard will be realized, and that there will be a furthering of what has been I think the desire and objectives of all parties in the House to see restored, to the greatest possible extent, the multilateral trade that used to exist and that did have beneficial effects for all of those who participated in that mutual trade.

There have been dislocations which brought about inevitable results. I hope that those results will not be permanently inevitable and that they can be overcome. I can assure the hon. Minister that we wish him well in his endeavours to restore as near an approach to multilateral trade as can be realized under present world conditions.

I would say that is a statement that one would expect from Rt. hon. Mr. St. Laurent, whom I count as a great Canadian.

I would read to the hon. member for York South (Mr. MacDonald), the comments of Mr. M. J. Coldwell, who comes from Saskatchewan, a place for which the hon. member has great regard.

Mr. Speaker, we can join very heartily of course with the hon. leader of the Opposition (Mr. St. Laurent), wishing this delegation every success in Great Britain. I notice that, in the hon. Minister's statement—I understand why of course—he laid particular stress on the desirability of British exports to Canada.

I am sure that the delegation will not lose sight of the other side in which we are also very interested, namely the question of enlarging our exports to the United Kingdom. The more imports we take from the United Kingdom and Commonwealth countries, the more we provide them with the necessary dollars which they can spend in Canada for the exports that we wish to send abroad.

Now, I very heartily agree with what Mr. Coldwell has said in that regard. He said further:

Representing as I do an agricultural constituency, a food-growing area, I am anxious to see an expansion of trade with the United Kingdom not only for industry generally but particularly to help our agricultural situation. Even if the list of gentlemen who are going to England has not been completed, if the hon. Minister has a list, I would ask him if he would like to table a partial list this afternoon and add to it later.

I have the list here, as I have said. Now, in looking it over, I find on reading the addresses and the comments, one in which I was particularly interested, by His Royal Highness the Duke of Edinburgh when he spoke to this trade delegation. I cannot find a trace of anything of a partisan or a party nature.

I think there is something that appeals to all Canadians, and I find nothing which I would find at all not only disagreeable but with which I could not agree with, most wholeheartedly.

I say to the hon. leader of the Opposition again, that in looking at it, Mr. Duncan I think has made it abundantly clear that anything he has said of that nature was calculated only to improve the position of our country at home and abroad. His views were non-partisan, and I would say that neither the government of the province nor the Hydro Electric Power Commission is in any way financing the spreading of the views which he expressed.

Mr. Oliver: Mr. Speaker, I can hardly allow the hon. Prime Minister to be satisfied with that sort of a statement. Much of what he has said this afternoon I would term irrelevant and almost superfluous.

He has argued that it is quite all right, it is quite the proper thing, to increase trade with England. Nobody is disputing that, nobody is disputing the rights of any federal

government to send a trade mission to Great Britain in order to foster increased trade as between Canada and Great Britain.

The only point at issue, and I outlined it clearly the other day, was that I doubted whether it was the proper activity for the chairman of the Hydro Electric Power Commission, and we do not need to get shoved off onto sideroads on this particular matter.

The issue is quite clear. The hon. Prime Minister tells me who went to the trade mission. It is quite proper that anyone should go who is interested in fostering trade between England and Canada.

The only point at issue, and he has skirted around it completely, is that Mr. Duncan came back to Canada and sought to further the principle of increasing trade with Great Britain, and he kept on saying that the way to do that was to divert to England trade presently held with the United States.

Now in the passing of time—the hon. Prime Minister knows this quite well—this issue has become perhaps the paramount one in the present federal election campaign.

There are those who say that the way to increase trade with England is to increase our overall trade. There are those who violently oppose the principle of diverting trade from the United States to England. It has become perhaps the hottest controversial political issue in the present election campaign.

Now, what I take issue with—and I say it to the hon. Prime Minister that it is on the soundest grounds—is that the chairman of the Hydro Electric Power Commission, a political appointee of this government, perhaps the highest paid appointee of the government, has no right in any way, shape or form to take the platform or to take the radio in the midst of a general election campaign and take one side of the issue involved. That is exactly what he has done.

Now the hon. Prime Minister missed that point entirely. That is the main point. If the hon. Prime Minister is going to excuse Mr. Duncan for talking partisan politics in the midst of an election campaign, then by the same waive of the rule he excuses every other civil servant and political appointee of this government, and they have equal right to go out and take part in the political campaign.

I suggest, Mr. Speaker, that we have violated a rule that has been honoured by all political parties down through the years, and that is that civil servants as political appointees shall not take part in political election campaigns, and in this instance, there

is no one to suggest that he is not taking part in an election campaign.

Hon. Mr. Frost: Well, of course, Mr. Speaker, I would say to the hon. leader of the Opposition that the matter really arose in his speech of a week ago tomorrow, in which he said that the trade mission to England was political in character. May I point out that Mr. St. Laurent's statement and Mr. Coldwell's statement I think should disprove that to his satisfaction.

Mr. Oliver: Would the hon. Prime Minister not say that every trade mission sponsored by the federal government is political in character? It is.

Hon. Mr. Frost: I would say, of course, everything—when we get down to that—everything is political for this reason, that almost everything that is done in the country affects government in some way or other.

But I point out that it is not partisan or political in the sense that the hon. leader of the Opposition used the expression. Mr. St. Laurent and Mr. Coldwell, I think, made that perfectly plain that it was not the case, that it was something on which they were all united.

I would say to the hon. leader of the Opposition that the Ottawa people, the federal leader of the Opposition, the leader of the national CCF, and I did not read the statement by the Social Creditors but it was much the same, and may I point out that they regarded it as not only all-party, but as a matter of fact the viewpoint expressed by all the parties was that they hoped this could be done.

Now I would say that the hon. leader of the Ontario Opposition is more political and is more sensitive than the good people at Ottawa were.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, would any further question be allowed in this respect?

Hon. Mr. Frost: Yes.

Mr. Wintermeyer: I would ask the hon. Prime Minister whether or not he thinks the "little people" of Ontario were served well during the absence of the chairman in respect to the administration of our great Hydro Electric Power Commission?

Mr. J. A. Maloney (Renfrew South): That is when they turned on the lights for the little people.

Mr. Wintermeyer: Well, if Mr. Duncan was not hired to turn on the lights, why do

we pay him \$30,000 each year, or something in the neighbourhood of that?

What I am driving at is this. Much of what has been said thus far is true. As the hon. leader of the Opposition has pointed out, the real issue I think is the question of whether or not a man in Mr. Duncan's position who, as head of a giant industrial corporation in this province, and the only industrial corporation over which we have real control, should be spending his time on something that may be very desirable.

All of us want to increase trade. I think it desirable that it be increased in a multitudinous manner as suggested by Rt. hon. Mr. St. Laurent.

But, on the other hand, either this man is required to serve the people of Ontario in his job, or we are paying him far too much money for the services that we are receiving. If he is not required as a full-time employee, then I suggest that we think in terms of somebody who will do a full-time job.

On the other hand, if he is required to administer this great industrial empire, then I think his place is at the head of it.

Certainly there are a lot of people in Canada today being paid \$30,000 who would love to go on a trade mission, but their corporations and their senior officials feel that their time is better spent at the head of their individual corporations, or at least in management, and I think that this man, patriotic and very competent as he may be, did to a degree let the little people of Ontario down, when he went off on a junket that may be good, but certainly is not particularly helpful to the people of Ontario with regards to the administration of Hydro Electric affairs.

Hon. Mr. Frost: I would say to the hon. member that perhaps it is not necessary for me to go further than to say that the view held here is identically the same view as held by the Liberal government in Manitoba, because the chairman of their commission, Mr. Stevens, went on the same trade mission. Now does it become wrong here and right in Manitoba, I ask my hon. friend that?

Mr. Wintermeyer: What about the little people of Ontario?

Mr. Frost: May I say to the hon. member that I take the responsibilities of leadership which must come from Hydro on a broader basis than the hon. member has done. I

think that the chairman of Hydro, now it might be Dr. Hearn or Dr. Hogg or others—but let us take for instance Dr. Hearn, who was gratefully devoting his talent to other matters of broad interest in Canadian life—I think that the chairman of Hydro, which is probably Ontario's biggest corporation, is vitally concerned with cleaning the life blood of industry in our province, and has to take a big broad Canadian view, and that is my answer to the hon. member.

Mr. Oliver: We would have to have a roving chairman and a working one.

Hon. Mr. Frost: Oh, there are a few people working.

Mr. Speaker, I should like to make just a short statement about the programme of the House. If at all possible, I would like to introduce the budget a week from Wednesday.

Now I would say that I do not want, in any way, to restrict the Throne debate, and I think last year we were able to meet that situation by continuing the Throne debate after introducing the budget. If it is necessary for the Throne debate to continue, and I think very probably it will, I cannot see any reason why that cannot be handled in the same way as last year.

The purpose of introducing the budget early at that time is this, and it arises partly from a question which I understand might have been asked by the hon. member for Waterloo North relative to the tabling of estimates.

I would say that the budget is of very great concern and interest to the school boards of Ontario. I think it is highly desirable that the budget be introduced at an early date, and I would like, on the day of introducing the budget, to table with the estimate the particulars relative to school grants.

I believe that the hon. Minister of Education (Mr. Dunlop) will be in that week. I suppose, commencing with Monday of that week, he will be calling in the inspectors from across the province to give them particulars of the new regulations, and to assist them in their problems.

That is the reason I would like to proceed a week from Wednesday, which I think is February 26.

Mr. Wintermeyer: Mr. Speaker, will the hon. Prime Minister announce the grants at that time?

My purpose is simply to inquire when the announcement will be made because, as the hon. Prime Minister well knows, many school

boards are currently fixing their budget, and have been concerned about the amount of grant that they will receive for this coming fiscal year.

Mr. MacDonald: Mr. Speaker, before the orders of the day are called, I rise on the question of privilege. Last Thursday, the hon. member for Riverdale (Mr. Macaulay) in delivering his speech on the Throne debate attacked my veracity, or the veracity of claims that I have made in the House, and documented it by a 10-point demolition of Saskatchewan's educational system. Now the interesting thing is that his eloquence echoed not only in this House but across the nation and—

Mr. Macaulay: The point of order is that the hon. member now wishes to rebut my speech. There was nothing personal, I made no reference to him other than I said that I was choosing a site which was a land of utopia to him. There was no personal reference, and if he wishes at some time to rebut what I say, the rules are full of opportunity for him.

Mr. MacDonald: Mr. Speaker, before you make a ruling on this point, I would draw to your attention that last week, the hon. leader of the Opposition (Mr. Oliver) rose on the question of privilege dealing with a newspaper editorial which described his views as silly.

I would also draw to your attention that, last year when on the second day of the session I spoke about the attitude of radiologists and pathologists to the hospital plan, the following day the hon. member for Ontario, now the Minister of Reform Institutions (Mr. Dymond), rose and on a question of privilege rebutted what I had to say.

I can assure you that I can be brief, but I submit that in accordance with your rulings in the past, I am in order.

Mr. Speaker: The hon. member for York South feels that his veracity has been questioned, and I feel that he has the right to say something about that.

Mr. MacDonald: Mr. Speaker, I shall be brief. The hon. member's words, as I said, echoed across this nation and produced some rather interesting results. For example, within 36 hours of his speech, in the province of Saskatchewan, there appeared in the *Saskatoon Star-Phoenix* of last Saturday a story. I shall read only the first two paragraphs:

An Ontario politician's attack on the Saskatchewan government policies was repulsed here Friday morning by an official of the Saskatoon teachers' federation.

I draw your attention, Mr. Speaker, a disinterested body.

G. D. Eamer, secretary of the STF, said Robert Macaulay, PC Toronto Riverdale, made statements in the Ontario Legislature Wednesday in which he achieved "a perfect score, he is wrong on every count."

Mr. Speaker, I was interested to learn, before Mr. Macaulay spoke, from another news story that allegedly he had spent \$1,000 in research work for his speeches this session. I would suggest that he fire his researchers because they are not doing him justice.

Mr. Speaker: Orders of the day.

SPEECH FROM THE THRONE

Mr. A. H. Cowling (High Park): Mr. Speaker, in the first place I would like to congratulate you for your usual good sense and deportment over the proceedings of the House, and at the same time I would like to offer my very hearty congratulations to your new deputy Speaker, the hon. member for Middlesex South (Mr. Allen). It is a well deserved appointment and I know he will do a very excellent job.

The hon. mover of the reply to the speech from the Throne, the hon. member for Peel (Mr. Kennedy) has been, and is being, an inspiration to many of the hon. members here in the House. I enjoyed his remarks very much, and I hope he is with us to continue in the same way for many years to come.

I would like to convey my best wishes to the hon. seconder, the member for Glengarry (Mr. Guindon), for his participation in the debate. I thought his comments were well put, and I know that he is going to make a real contribution here.

Mr. Speaker, on Friday, the hon. Prime Minister (Mr. Frost) made an announcement which had to do with a grant of \$5 million to the municipalities in the province of Ontario. As a citizen of Toronto, I was particularly interested in the amount of money and what it would mean to our great city. I feel that, as usual, this government is in advance of other jurisdictions in coming forward at this time with such a very tangible way of helping to relieve the unemployment situation.

I was very pleased to note a comment in the paper this morning by the mayor of Toronto, saying that the board of control and council would be meeting today and they hope that some men will be actually hired by Wednesday or Thursday of this week to start using up some of that money.

Now, that is just about the fastest kind of action, and it is usually the kind of action the people get from this good government here at Queen's Park.

I remember back in 1955 when the same type of grant was made to municipalities, and I well recall the good work that was done in our parks and other areas by people who needed the money and who were prepared to work for it. I reiterate what the hon. Prime Minister said, that it is much better for our citizens to be able to get out and do some work and earn some money rather than to have them on the relief rolls which were so badly used in the poor days of the 1930's.

Our unemployment situation will be bettered, I know, by the grant of this amount of money, which is in effect until March 31 of this year—and probably more money can be added to this amount after that date if it is found necessary. I like to feel that way about it.

I would like to take a few minutes of the time of the House, Mr. Speaker, to talk about our new hospital plan which is going into effect on January 1, 1959.

As we all know, the plan is being operated and handled by the Ontario hospital services commission which we set up here a while ago. Its members are very active in working out many of the details. I just thought it might be wise to review some of the events leading up to the hospital plan, and to go over in our minds some of the benefits of the plan, and then I would like to make some comments and suggestions as to ways and means of improving it.

I am going to read off the hospital benefits to the hon. members because they are considerable.

In the first place, the hospital plan is going to include accommodation and meals at standard and public ward level. It is going to include necessary nursing services but exclude private duty nursing. It will include laboratory, radiological, and other diagnostic procedures including necessary interpretations; drugs, biologicals and related preparations as approved under the provincial schedule; use of operating room, case room and anaesthetic facilities including necessary equipment and supplies.

It will also include routine surgical supplies, and the use of radiotherapy facilities for treatment of cancer where available. Other benefits are: use of physiotherapy facilities where available, and other services rendered by persons who receive remuneration therefore from the hospital; care and

treatment in mental and tuberculosis hospitals and out-patient services for emergency admissions, providing the individuals concerned are received as out-patients within 24 hours of an accident.

Now, that is quite a sizeable line-up of benefits that we are going to receive from this new hospital plan. I am sure that the hon. members who participated in the discussions in the health committee and other places feel satisfied that the benefits are very very liberal in their character.

The Ontario government plan necessarily is much broader than those offered by private insurers, and one of the main things of course is that these benefits are going to be paid for as long as a patient might remain in the hospital.

Hon. members will remember, during our many discussions, that we talked about the catastrophic aspect of this hospital insurance plan, and this simply means that where people have accumulated some money over the years to take care of themselves in their old age, and serious illness or accident comes along, they are confined to the hospital and their life savings are used up.

Now this is going to eliminate any possibility of that tragedy happening to the citizens of Ontario. The plan is going to be compulsory, as hon. members know, for those employers who have 15 or more persons on their payroll. The compulsory aspect has to do with that type, 15 or more persons, and the registration I understand is going to begin some time this summer, and the premium payments will start towards the end of the year.

The amount paid, the actual premium price, is going to cost an unmarried subscriber \$2.10 per month and the cost to a family is to be \$4.10 per month. That covers every member of a family. I know that it is impossible to purchase elsewhere the type of benefits that will be provided in this hospital plan operated by the government; it is impossible for private insurers to match those rates, and it is going to be a great and wonderful thing for our citizens.

For a person employed in an organization hiring fewer than 15 persons, it will be necessary to fill out a form and submit voluntarily to the plan.

They can do this on a voluntary basis. They will send in their premiums, send in their card, and they will be covered in much the same manner as those persons who come under the compulsory aspect of it.

It is estimated that as of today, in the province of Ontario we have about 3.5 million or 4 million persons who are covered by some type of hospital plan—group, individual or something of the kind.

Now, figuring on the population of 5.5 million in the province, hon. members can see that our own hospital plan is going to be greatly extended, and will include most of the citizens of the province.

I would like to just give hon. members an idea of the cost, which we have discussed before but the cost is always important, and the total projected cost of the Ontario hospital programme, including care and treatment in mental and tuberculosis hospitals in 1959, is to be about \$210 million.

Of this amount, it is expected that the federal government's contribution will approximate \$74 million or about one-third, while the province's contribution will comprise the remainder of \$136 million or nearly two-thirds. Of the province's share, nearly one-half will be met out of the consolidated revenue fund and the remaining one-half will come from premiums.

It is therefore expected that revenue from premiums will total about \$75 million or just over one-third of the cost of the over-all hospital plan.

Now, hon. members will recall in our early discussions that some were talking about some type of free insurance that the government was going to provide. I think those figures prove, Mr. Speaker, that the plan is not "for free," everybody is going to pay a premium, and even though a portion is going to be paid by the provincial and the federal government, everybody is going to make a contribution into the plan, which is as it should be, because in that way, there is a little more appreciation of it.

It will also be recalled that at one time the federal government, that is, the one that was in office prior to June 10, had said that before the plan could go into effect it would be necessary that 6 provinces indicate their willingness to participate, and I think one of the very important things accomplished by the present hon. Prime Minister (Mr. Diefenbaker) and his government, was that they washed out that requirement, and at the present time it is not necessary that 6 provinces go into the plan, although I think about 6 of them are ready. I noticed the other day where Manitoba is now ready to go. The six would include Saskatchewan, British Columbia, Alberta, Manitoba and Ontario, so we are getting pretty close to 6 anyway.

But in any event, that is not necessary, and it seems to me that there is not a doubt in the world that following the election on March 31, when the Progressive-Conservative government is returned to Ottawa, one of the things high on their list will be the completion of some type of national hospital scheme for all of Canada.

Now, I would just like to take a few minutes to talk about a great number of individual policies—individual hospital and other types of income policies—which have been sold in the province of Ontario over the past 20 or 30 years. This is an individual policy which has been purchased by men and women, including farmers, small business men, and so many other citizens who have taken the initiative to provide themselves with some type of care in the event of a serious illness or accident.

Now, when our plan goes into effect, I am just concerned about how it is going to operate in an individual field. I realize that with many of the group plans in the province—that is, Blue Cross group, co-operative groups, farmers' groups and so on—there is no particular problem, because the individuals are written under one master policy. The one master policy would be amended to exclude benefits that were payable for standard public ward care, and the reduction in premium, and the operators of the group would simply remit to the government a portion of the public ward premium which they normally would receive. It all seems very simple and uncomplicated.

But on an individual policy, where a man has been remitting his individual premium to a private insurer, I do not think the same plan will work so well, and in such cases it might be a wise thing for the commission, Mr. Speaker, to consider leaving some of those individual policies in effect for say a year following the January 1 date, and integrate them slowly, rather than causing some confusion in the minds of the buying public.

There will be a great many people, on January 1, 1959, who think they are covered for everything, regardless of the advertisements we put in the paper, on the radio, on television and every other kind of publicity we give. A great many people are going to say: "Well, the government has now taken over the hospital, the medical and the income insurance and we are all set; we don't need anything."

Well, when a claim arises in a situation like that, these people are going to find out that they have not all the coverage that they thought they had, it is just human nature to feel that way about it, so I think that we have

a very important public relations job to do in trying to the best of our ability to inform the public just exactly what the government plan covers, what it does not cover, and how it affects the many individual and group plans which are now in effect.

One of the things I have talked about too, on other occasions, and I would like to bring up here again, is the need for some type of home care. I was very pleased to hear, in the speech from the Throne, that home care facilities are going to be made available by the government, and I think that is a step in the right direction.

With these increased hospital grants, I do not believe we are going to have the same problem of perhaps overcrowding our hospitals as we have before, but at the same time I do feel that some type of home care coverage in the early years of the operation of the plan will relieve the burden of overcrowding our hospitals, and at the same time give the individual, who might be sick or hurt, ample time to recover from his disability.

If we institute a home care idea, it might be necessary to pay some small benefit while people are convalescing. We can make use of our convalescent homes that are provided, and which would be approved by the hospital services commission, but in the final analysis people can get better faster if they are in their homes.

I had a personal experience last fall, and I think I speak for every one of us who has spent some time in hospital because of an accident or an illness, the patient is pretty anxious to get home and if he were being paid a smaller amount, say by the government, it would encourage him to get there as quickly as he could.

I said before that certainly the success of the Ontario hospital plan rests to a very large degree upon the shoulders of the medical profession in the province. After all, they are the ones who send patients to the hospitals and they are the ones who tell them when they leave, and I know, from discussions with the doctors in our health committee and other places, that they are with us in this plan, and I know that we can count on their co-operation because it is very, very important.

So those are just some thoughts and ideas that I had on the hospital insurance scheme, Mr. Speaker. I think this government has certainly taken the lead, I do not think they have left any type of hospital coverage out of the benefits that it is possible to provide,

they have given a premium which no private insurer could possibly compete with, and I do feel that the citizens of our great province will benefit to a large extent from this very humanitarian effort on the part of our government to see that nobody will lose their savings, or their homes and the things they love, because of an unfortunate illness or accident.

Now that we are on the topic of insurance, I would like to say something about automobile insurance. I noticed the other day that the hon. member for Oshawa (Mr. Thomas) has put forward the suggestion that we have an automobile insurance plan and that it be operated by the government.

Now this is something that has been the subject of a lot of talk and discussion over the years, Mr. Speaker. I know that many hon. members have made a study of the problem, and it is one that certainly takes a great deal of study.

We have one province in the Dominion of Canada which at the present time has compulsory auto insurance, the province of Saskatchewan. It is a scheme operated by a government insurance company, in other words private insurers do not operate on behalf of the Saskatchewan plan.

I am going to have more to say about that as we go along.

There are jurisdictions in the United States which have some form of compulsory automobile insurance, including the state of Massachusetts. Just a year ago, the state of New York instituted a plan, and I understand that North Carolina has now a plan in effect. A neighbour province, down in the Maritimes, has had a Royal commission working on the problem.

I am going to give hon. members some facts and figures out of that as we go along.

But the whole idea, as we know, Mr. Speaker, in this problem of driving automobiles as related to insurance is getting to be pretty serious, both from the insurance company's point of view and from the government's point of view. Something has to be done about it. We went a long way here in Ontario when we increased the payment into the Unsatisfied Judgment Fund effective January 1, 1958, from \$1 to \$5, and by the end of the year we will certainly have some very authoritative figures to show the number of people in our province who do not carry some form of financial responsibility.

It is estimated that between 85 and 90 per cent. of all the drivers in Ontario do have

financial responsibility, and if that is the case, we are getting pretty close to an over-all picture, and it may not be necessary to consider any form of compulsory automobile insurance if we are able to do that.

There are more cars in the province than ever before. I understand the number will top the 2 million mark—either they have or they will very shortly, 2 million motor vehicles in our province—and that is a great number to think about.

The Massachusetts situation has been going on for 25 years, since they instituted compulsory automobile insurance operated by private insurers and the government. They set the rates by means of a commissioner of insurance, and generally speaking the situation there is not at all satisfactory from anybody's point of view. Yet I cannot seem to find out why the original statute has not been rescinded, or why it has not been changed. The plan is still in effect. The insurance rates in Massachusetts, I suppose, are the highest in the United States, and there is not any likelihood of their coming down. The legislators have a serious problem there.

Mr. MacDonald: They leave it in private hands, do they not?

Mr. Cowling: Well, that is where it should stay, in private hands, and I am going to see that it stays there, too. And I am going to tell the hon. members why. I will get around to Saskatchewan in a minute and tell the hon. member why I do not like the plan there.

In New York, they have instituted the same thing with the companies and the government, and it really has not been in effect long enough to see how well it is going over, but they are certainly going to have problems there. As a matter of fact, Mr. Speaker, they are going to have problems anywhere where people are driving automobiles, that is all there is to it.

I think one of the worst groups of drivers that we have to contend with in our province, anyway, and in Canada, are those between the ages of 16 and 24.

It is a generally known fact that these people cause twice as many accidents as anybody else on the road. Now what we are going to do with them, I do not know.

Our province has instituted extra-curricula driving instruction schools, and they have gone a long way to help out with the situation, probably more so in Ontario than in any other province in Canada. But these school instructions do not seem to be having any effect on the young people.

It is a very odd thing, as many hon. members who had service in the Royal Canadian Air Force will recall, that the young fellows—the 18, 19, and 20-year-olds, I was too old at that stage to be in that class—were the boys who were piloting our fast fighter airplanes, and the older ones from 23 to 25 had to pilot the slower-moving bombers. There was no question in our minds in those war days, Mr. Speaker, of the ability of the young people to drive anything, and we entrusted them with planes that were worth \$1 million each.

But somehow or other the same thing does not hold good when they get to driving automobiles. I do not know why it is, probably because there is a lot more room up in the air, but they do not apply the same good driving principles when operating automobiles that they did in piloting the planes.

Now, a lot of consideration will have to be given to that situation, and quite frankly I do not know what the answer is, but we will have to come up with one.

I think another thing that we might consider, in order to prevent accidents, would be the removal of many of the old cars on the highway. I think we could maybe set a number of years as a saw-off date, and it would be necessary to take these "old crates" off the road, maybe 15 years, some date which would be suitable to everybody, because we all know, in driving on the highways, that many young people get "souped-up jalopies" that will move pretty fast and are pretty noisy, and away they go, and they are causing accidents.

I would like to tell hon. members something about the Nova Scotia plan, because it is the most recent study that has been made in Canada, and I think they have come up with some mighty fine ideas. This is a copy of the report of the Royal commission dated September 30, 1950. They gave a very detailed and thorough study to the problem of automobile insurance, and I am going to read some of their findings and conclusions, because I think they are most important to our thinking at the present time.

The commission says the answer to the question, of whether legislation to provide for a provincially owned and operated automobile insurance department or bureau in Nova Scotia is practicable and desirable, depends on whether any saving that it might effect for motor vehicle owners in the premium cost would outweigh the increased cost of government, and the inevitable economic dislocations that would result, to the people of the province as a whole, following the expansion of

the administrative branch of government by creating and financing a government insurance office.

The report mentions several things that the commission is opposed to. I would finish off by saying this, there is now no means of obtaining data that is sufficiently complete and reliable for estimating, even roughly, the actual cost and other consequences that would inevitably bear upon the economy, if a plan similar to the Saskatchewan plan were established in Nova Scotia, although the full extent of the impact upon the economy is largely now unpredictable.

The commission doubts that the total saving to owners of motor vehicles would outweigh the total cost of such a plan to the people of the province as a whole.

Consequently, the commission is not convinced of the practicability and desirability of legislation to provide for a provincially owned and operated automobile insurance department or bureau in Nova Scotia. The commission therefore does not recommend such legislation.

In other words, they are not recommending that the government run the automobile plan.

It is said that the commission has concluded that legislation to provide for compulsory proof of financial responsibility as a prerequisite to registration of a motor vehicle in Nova Scotia is practical and desirable. The commission recommends that the necessary legislation be enacted to establish a motor vehicle compulsory financial responsibility plan, much the same as they have in Massachusetts, New York and North Carolina.

Now this is a problem, it certainly is a problem, Mr. Speaker, and one that requires a lot of thought and study. I know that our government, through its various departments—the new Department of Transport and so on—is keeping right up to date on the problems, and no doubt we shall have a chance of discussing it further as we go along.

Two of the things that will certainly help to relieve the situation might be a speed-up of payments by our Unsatisfied Judgment Fund, and the point system whereby an individual offender on the highways is marked up with a black point for each offence and when he has so many marks against him, his licence is suspended. That might be another way of remedying the situation, because that would be fair to everybody and

would certainly indicate whether a driver is good or bad.

This whole matter of compulsory automobile insurance—and I do not like to use the word “compulsory”, Mr. Speaker—is one on which we should move forward very cautiously. We should look most thoroughly into other jurisdictions before considering introducing legislation into the province of Ontario.

In any event, it is my very definite opinion that, if the time ever comes where it is necessary to have a compulsory automobile plan, that it be a combination of government with private insurers. I realize that, even at the present time, the province has the legislative authority to set insurance rates, and rates of course are very necessary to the operation of an insurance plan.

But I think the idea of government with private insurers can bring about the most satisfactory solution to this problem. I do not think the idea of a government-owned insurance company, such as they have in Saskatchewan, after the study I have given it, is the answer to that problem at all, because if they show any deficit in their insurance plan for automobiles, they simply take it out of the general revenue fund, and in that way they do not have to report to the public on the expenditure, and they can operate on almost any kind of a premium.

Mr. D. C. MacDonald (York South): The hon. member is absolutely wrong. The Saskatchewan plan is a separate fund out of which no money can be transferred either to or from the general revenue. If it has a deficit, they have to raise their rates, if they have a surplus they can lower their rates. The hon. member just does not have the facts.

Mr. Cowling: I have the facts, Mr. Speaker, You have just set the hon. member straight on something else and I am sorry—

Mr. MacDonald: It is difficult to keep all hon. members straight.

Mr. Cowling: No, the hon. member cannot keep it straight because I have studied the Saskatchewan plan just as much as the hon. member has, and I am not wrong, I am absolutely right.

I say that if the premium payments into that fund do not make the necessary equalization they can take it out of the general fund, and that is what they do every year, in addition to increasing the rates.

So that is how I feel about it. The last thing we should ever consider would be an automobile insurance company controlled by the

government of Ontario as they have in Saskatchewan. That is at the bottom of my list. My information is pretty accurate, as far as I am concerned.

Mr. Speaker, in conclusion, I would like to make one or two comments about the proposed subway in Metropolitan Toronto, something that we are all interested in, something that affects my people out in High Park and every other section of the city.

I am sure every hon. member of this House has followed very closely discussions in the Toronto press about a subway, whether it should be east and west, whether it should be U-shaped, and there were several suggestions.

As far as I am concerned, I think there is a very definite need for another subway in Toronto. I think that the subway should be a straight east-west affair along Bloor Street, because in that way I think we are going to get the people out to the west and east ends faster than we would by a U-subway.

We have all had an opportunity to use the north-south subway that is in effect now, and I think we are all agreed that it is doing a wonderful job of transporting the people, and if the registration of motor vehicles continues at a high rate in Metropolitan Toronto, and the people continue to drive their cars into the central area of the city, it is going to be impossible to drive or to park, so I favour public transportation.

The cost is supposed to be somewhere in the neighbourhood of \$200 million, and it could be financed over a number of years.

Now, almost everyone who has been to Los Angeles is very impressed with the highways they have in and out of that great city, they go up to 3 tiers but they have no subways, and it just seems to me that, as far as Metropolitan Toronto is concerned, it is a practicable thing to have subways, because we can still build an overhead expressway to great heights up in the air if we wish, but the public transportation on the subway will bring more passenger traffic to and from our downtown area than can be done by any other means.

We were talking about unemployment and how we can assist the municipalities. The government might consider some sort of financial assistance to builders of the subway, having regard for the service and convenience that it would give to all citizens of the province of Ontario. So I leave you with that thought, Mr. Speaker—I think we should get on with the subway, approve of the idea in principle, and get to the building of it just as quickly as we can.

Mr. R. M. Whicher (Bruce): Mr. Speaker, in rising to speak on this Throne debate to-

day, I, like all the other hon. members who have spoken here previously, would like to commend you on the very dignified and fair way in which you handle your position in this House. I might say I am perhaps a little closer to you than some hon. members are because, while all of us respect your ability here sitting in the House, I had the privilege of serving with you while overseas, and I am here to report that not only do you do a good job here, of course, but you did a very good one over there in looking after the needs of chaps like myself, and we were certainly very grateful.

This is the third time I have had the privilege of speaking on the Throne debates, and I might say that many hon. members would think that I am not any wiser than I was 3 years ago.

At the same time, I have grown to respect the manner in which the business of this House is carried on, the manner in which the government operates, and also perhaps even more so, to respect the very difficult position in which the Opposition of this House is placed, simply because we are so vastly outnumbered.

I realize full well that, to be a good Progressive-Conservative in the province of Ontario, it is most necessary to stand up and show where one's colours are, and stick up for the government of this great province. But, on the other hand to listen to all hon. government members over a period of 3 years, one sometimes gets the idea that all that is good that is in this province, or in Ottawa, has come from Conservative thinking, and that on the other hand, we who are so sadly outnumbered in this House have done nothing to further the development of this great country.

I might say that while we are sadly outnumbered in this House with 82 Conservative, 11 Liberal and 3 CCF members, nevertheless, all of us agree, I am sure, that the opposition is not quite as heavy, outside of this legislative assembly, as it is in here, to the idea that many great Liberal Canadians have done much for the development of this province, and indeed of the whole country.

And I might say this, that we too have our pride. When we listen to the hon. Prime Minister (Mr. Frost) and other hon. members talking about such things as human betterment and the other developments of this province and the whole country, we who are sitting in the Opposition remember with great pride that, while perhaps younger hon. members like myself have had nothing to do

of any account with this type of betterment, nevertheless there have been many great Liberal statesmen, in this country, who have done much for the human betterment and individual rights from Vancouver to Halifax, and indeed in this province of Ontario.

I do not think the hon. members who are sitting on the other side of the House will be too cross with me, particularly after the very good medicine they got today during the noon luncheon, if I remind them that our leaders have also done much for the development of this country.

We think of such human betterment legislation as unemployment insurance, put through by a Liberal government in Ottawa, which does so much for the benefit of the individual who is out of work in this province today. I do not think hon. members will mind in the least if we say that we, who are Liberals in the Opposition, are proud of that. I am sure that those on the other side are proud of it, too.

When we think of such things as family allowances, which the new government in Ottawa have taken over, that hon. members will not be cross when I remind them that it was put through by a Liberal administration, and that we are part of that team.

When I think of such things as old age pensions—and I am going to try to be fair in this, I am not for one minute going to attempt to take all of the credit for this—but I think they will agree that it was a combination, not just Conservative government or, as far as that goes, not just Liberal government, but these are things that have been done for the betterment of the individual across Canada, and I think that we can justly stand up and be proud for what has been done by the federal government in Ottawa during the past 22 years.

In my remarks this afternoon I, like the hon. member for Riverdale (Mr. Macaulay), had thought that I might speak about other topics. But in his speech the other day he brought up certain things that I think should be answered, at least to a small extent.

I might say that I listen to him with great interest every time he speaks in this House; I am full of anticipation before he starts, and I greatly admire his enthusiasm and his down-to-earth means of getting to the business at hand. He certainly calls a spade a spade as far as he can go. Although I do not agree with everything he says, nevertheless I admit that he has brought into this House, since I have been here, many good thoughts.

I wish to deal with two points of his speech. First of all, the unemployment situation as he saw it in Canada, with the various causes, and secondly, the debt situation in the province of Ontario. I wish to make a few remarks about the general revenue of this great province of ours.

First, in discussing the unemployment situation which, all of us will agree no matter which side of the House we are on, is a serious affair in Canada and in the province of Ontario today. In discussing this unemployment situation, he said that management and labour together have priced us out of foreign markets, and with that I most heartily agree. Goods are costing us more than they are actually worth, and I would like to remind all hon. members of the House that, sooner or later, there is a pay day. It is impossible for us to sell France certain goods when they can buy them cheaper in some other country in the world. Management and labour are going to have to get together to try to keep down the cost of production, because if we cannot export our goods, we just simply have no chance, and there will be more and more unemployment. So with that I certainly agree.

The second cause that he gave for unemployment was the fact that the foreign investment in this country is now but a trickle, and I certainly agree with that.

I do not agree with him, however, when he said, in talking about Canadian investment, he blamed unemployment, as far as Canadian investment goes, on the fact that our people have not saved enough money and therefore there has to be a day of reckoning and our capital expenditures cannot keep on forever.

I would like to point out to the hon. member for Riverdale that our savings deposits in the chartered banks across Canada today are greater than they have ever been in history. Our savings deposits as of December, 1957, were about \$200 million more than they were in December, 1956, so we cannot blame our own savings, or lack of savings, for the unemployment situation in Canada today.

But the brutal truth is this, that we have not got enough money, no matter how much we save, to develop this country the way it should be developed. We need foreign investment.

Just for a minute, I want to tell hon. members why, in my opinion, we are not getting foreign investment. The reason is most simple. Ever since the war, the amount of money which has been invested in this country primarily has been from the United States,

and I say most sincerely that the reason American investment in this country is now only trickling in is because of the very unfortunate statement made by the government in Ottawa, when they said that they are going to try to get more trade from England by cutting down imports from the United States. That is the reason, and our American friends believe that a hostile atmosphere has been created and the money is simply drying up, it is as simple as that.

There is not an hon. member in this House, or the federal House in Ottawa, who does not agree that we should try to promote trade with England and the United Kingdom. Of course we should promote trade with them, not only for our own good, but for the good of England, who after all is still on many occasions by our side and has done a great deal for us in the past.

But while we are sticking up for England, it seems to me rank insanity to try to stab our best customer in the back, and that has been done. We need American money in this country in order to develop it. Let me point to great projects like the St. Lawrence seaway, developments of the aluminum industry and the steel works and pulp and paper industry, and the huge buildings that are going up in the city of Toronto and right across Canada—there simply is not enough Canadian money to put these projects into operation. We need American money, and as of the past few months, we simply have not been getting it.

I ask hon. members who are sitting on the other side of the House if they still hold up their heads in pride when they think of the statement that was made by the federal government in Ottawa, since June, that they were going to cut down on American imports and buy more from England. They said they were going to try to divert 15 per cent. of the trade to England, and cut off 15 per cent. of the imports from the United States.

That is a reason, Mr. Speaker, why our foreign investments are now only a trickle in Canada, and that is one of the main reasons why we have this great unemployment problem not only in the province of Ontario, but right across the Dominion of Canada.

Mr. Macaulay: What about German money not coming in here?

Mr. Whicher: In answer to the hon. member for Riverdale I would say this, that there is still considerable German money and still considerable English money coming into Canada, and I would not be the least bit surprised but what there will be more English

money. But the point is this, that there is far less American money—in fact, there is hardly any American money—coming into Canada at the present time, because—

Mr. Macaulay: The hon. member said “a trickle” himself.

Mr. Whicher: The hon. member for High Park said that it is a trickle.

Mr. Macaulay: I said that the foreign investment in Canada was reduced from a torrent to a trickle—the total foreign investment, not American.

Mr. Whicher: Yes, but I daresay if the hon. member would look up the figures he would find that the trickle is coming in from England and from Germany and those countries, and there is just a very small amount coming from the United States today.

In any event, whether the hon. members agree with it or not, I am telling them now that the American investor believes we are hostile, and he is not agreeably impressed with the situation. I am sure we would not be either. What would we think if France, for example, said: “We are going to try to cut off 15 per cent. of our trade with Canada and instead give it to Mexico”? What would we think about it? I suggest that we would have a certain amount of animosity toward the French government, and that is exactly what happened with the American investors.

Now then, the hon. member for Riverdale said this, that the third cause of unemployment is psychological, in other words that we have to have confidence not only in our own province particularly, but in the country as a whole, and in answering that I might say that I agree with him.

But we cannot inspire confidence when we see what is going on, when we see the huge projects stopping to some extent. The ones already started are being continued, but there are things like mines which are closing down, automobile industries are shutting down to quite some extent, and I ask the hon. member or anybody in the government how we can inspire confidence in anyone when these established facts are before our eyes; I suggest that it is an impossibility.

The hon. member for Riverdale however, did give at least 2 and perhaps 3 suggestions that he thought would be acceptable to the people, to alleviate the unemployment problem, and certainly with 2 of these I agree, in fact I agree with the 3 of them.

First, he said we should reduce costs. It is obvious to any of us sitting here that, if

we do not reduce them, we have to keep them where they are. If costs go any higher the result is going to be tragic.

I suggest to the hon. member on my left (Mr. MacDonald) that, when he hears people like the president of the United Automobile Workers of America make statements such as he made last Saturday in Windsor, to the effect that the workers are not only going to ask for an increase in wages, but now they are going to try to get 25 per cent. of the profits, I suggest that he do something among some of his followers to try to rectify situations such as that.

Not only are we going to price ourselves out of world markets, we are going to make the price of goods so high that none of us here are going to buy them. Labour, along with management, I will agree, must accept some responsibility for this.

Governments cannot control costs in industry because labour is demanding more continually, and management in turn puts it on the price of the article and passes it on to the individual buyer. We must stabilize this thing somewhere. It has gone too far now.

The second point that the hon. member for Riverdale quoted was increased production, and once more I certainly agree with that. We must have more goods. We do not produce now as much as we require across the board, and we must increase production in order to make this country stable and to cut unemployment to a minimum.

The third point was this, the hon. member suggested that the government prime the pumps. In other words, that all forms of the government—municipal, county probably, provincial and federal—take a programme of public works and try to pump more new money into the pocketbooks of the wage earners of this province or across the country.

I want to make a few remarks about the way the hon. Prime Minister tried to prime the pump the other day when he offered, out of the goodness of his heart, \$5 million to the people of the province of Ontario. He suggested that they would—

Hon. Mr. Frost: That is, to March 31.

Mr. Whicher: Yes, that is right. But it was up to March 31 and had to be concluded by May 31. And he offered to pay 70 per cent. of the costs of public works, so our newspapers reported. In fact I heard 4 radio newscasts this morning, and every one of them said that the province of Ontario was going to pay 70 per cent. of the cost of

public works in this province, up to the sum of \$5 million.

I never heard anything that was so "off the beam" in my life. The hon. Prime Minister suggested that one of the things that we could do is to put down sidewalks.

Well now, I ask this. In the first place, we have to have machinery. The municipality has to pay 100 per cent. of the machinery cost for a project of laying down sidewalks.

In the second place, the foreman or whoever is supervising the job is an employed man and the engineers who draw the plans and make sure that everything is put down according to specifications are employed men. The municipality must pay 100 per cent. of their wages. We may hire people who are not drawing unemployment insurance, but the municipality has to pay 100 per cent. of the cost.

The hon. Prime Minister has offered: "All of those who are either not working, or who are not drawing unemployment insurance, we will hire the rest of you, and we will pay 70 per cent. of that unskilled labour cost." Now that would be quite a thing, in the first place, if we could lay the sidewalks. But it is far too cold, it cannot be done during this weather.

Hon. Mr. Mapledoram: Spring is coming.

Mr. Whicher: Yes, spring is coming and so is May 31, but I suggest this, that in the matter of sidewalks, for one, the municipality will be paying 90 per cent. of the cost and this province will be paying about 10 per cent.

Let us take another instance that the hon. Prime Minister gave. He said that we could perhaps build a bridge. Well now, supposing we were going to build a bridge. The municipality would have to pay 100 per cent. of the steel, they would have to pay 100 per cent. of the engineering cost, they would have to pay 100 per cent. of the skilled labour. "But if you can get any unskilled labour," the hon. Prime Minister says, "we will pay 70 per cent. of the unskilled labour who help to build the bridge." How could we build a bridge in this weather?

Hon. Mr. Frost: Not unskilled labour—labour which is not qualified for unemployment insurance. It may be, highly skilled labour.

Mr. Whicher: Well, let us take for example, the hon. Prime Minister said that we could do some wiring. We could do some electrical work.

I would suggest this, Mr. Speaker, that there are very, very few electricians in this

province who are not either working or who are drawing unemployment insurance. I would suggest there are very few. In fact, if there are any, I would be very, very surprised—

Mr. G. F. Lavergne (Russell): The labour situation must be good.

Mr. Whicher: —because the skilled man in the province of Ontario, the skilled tradesman, except in places like Windsor or certain areas like that, are mostly working at the present time, and even if they are skilled in a certain line, that does not mean that they can go and paint or something like that.

Let us take the painting situation for a minute. The hon. Prime Minister said: "Well, we can do some painting." We cannot do any painting outside, that is the first thing. In the second place, the municipality has to buy 100 per cent. of the paint—put up every cent on the dollar.

Then the municipality will start. But it has to employ painters, it cannot have unskilled labourers who are not drawing unemployment insurance because these people have to belong to the union. You have to have painters, and I would suggest that there are very few painters who are not either working or drawing unemployment insurance in this province of Ontario.

I say this, and I am sure that it will be borne out, I was not the least bit surprised when the board of control of the city of Toronto today postponed their meeting this afternoon because they said it was utter confusion. They did not know what the hon. Prime Minister was getting at, and they had to get further clarification.

An hon. member: That is nothing new, of course.

Mr. Whicher: They had to get further clarification before they could go on with this, and when the hon. member for High Park (Mr. Cowling), only a few minutes ago, remarked on what a great programme this is and that he is so pleased to read in this morning's papers that they are going to hire men immediately, it is too bad that he did not read this afternoon's papers because, in this afternoon's papers—

Mr. Cowling: The hon. member must have read the wrong paper.

Mr. Whicher: —and the hon. member for High Park—

Mr. Lavergne: The hon. member read the wrong paper.

Mr. Cowling: Mr. Speaker, on a point of order. I read a report in one of the Toronto newspapers that said that this money would be used to start—

Mr. Whicher: One thousand men—too little and too late, as usual.

Mr. Cowling: —hiring men on Wednesday. Now, it does not matter whether it was an early, or a late, or any kind of a report, but there was a report. There was no confusion about it. The municipal government of Toronto will start to hire men on Wednesday because of what the hon. Prime Minister announced on Friday. It is clear-cut.

Mr. Whicher: Well, Mr. Speaker, there was very little point of order but it was a very interesting remark and I am sure we all enjoyed it. The point is this, that the paper the hon. member read was this morning's paper, and in this afternoon's paper, all the controller said was that there was confusion in their minds, and that they had to postpone the meeting, and that they are waiting for further clarification from the hon. Prime Minister. Well—is this another point of order, Mr. Speaker?

Mr. Cowling: I was quoting the mayor.

Mr. Nixon: Is this another point of order?

Hon. W. K. Warrender (Minister of Municipal Affairs): No, this is just a word of clarification because I think it should be helpful at this time.

Mr. Speaker: State your point of order.

Hon. Mr. Warrender: Rising on a point of order, Mr. Speaker, the hon. member does not have his facts correct and I wish to give him some of the correct facts.

Now the point is, that his worship Mayor Phillips phoned me and told me that he was delighted with the programme, that they were confused about some of the items which might be included in the programme, but they are prepared to hire 1,000 to 1,500 men by Wednesday or Thursday and he thought it would help terrifically in solving the unemployment situation here in Toronto.

Mr. Whicher: Was that this morning that he called the hon. Minister?

Hon. Mr. Warrender: No, that was Saturday evening.

Mr. Whicher: But they changed their minds. They will be calling the hon. Minister again because they certainly want further clarification—and I would too.

Hon. Mr. Warrender: I will be here.

Mr. Whicher: Well, I like the hon. Minister over there, and I do not mind if he makes a speech at all. But the point is this, that when the municipality has to provide all of the material, 100 per cent. of it, when they have to provide all of the skilled labour because the men in skilled labour for building bridges are not out of work at the present time, and then only get 70 per cent. for the people who are not drawing unemployment insurance, or extra welfare benefits, then I say that the plan is completely "phoney." It will mean nothing to this province as a whole, and while they might be able to do something in the parks of Toronto, and I certainly hope they can, I suggest that they will never lay one mile of sidewalks, one mile of roads or build a single bridge in the entire province, because the municipalities cannot afford to do so when they have to put up that vast amount of money.

In any event, let us look at \$5 million for a minute.

In the province of Ontario at the present time, we have upwards of 300,000 unemployed. The 300,000 unemployed receive approximately \$25 a week on the average for unemployment insurance. Just supposing that it was \$20, that certainly is a minimum per week. That means that out of unemployment insurance, every single week, they are drawing \$6 million, and here the province of Ontario are offering them \$5 million until May 31, and I warrant this, that the municipalities are going to have to put up at least \$50 million in order to get that \$5 million.

Mr. MacDonald: Mr. Speaker, would the hon. gentleman permit a question?

Mr. Whicher: Yes.

Mr. MacDonald: Last Friday, when I took objection to the fact that 30 per cent. of this was being left with the municipalities and only 70 per cent. of the unskilled labour was taken by the government, he stated that he favoured this proposition of leaving the 30 per cent. with the municipalities. Has he changed his mind over the week end?

An hon. Member: Oh yes, he changes his mind every week end.

Mr. Whicher: I would like in reply to the hon. member to my left to say that I, like him, I presume, was in a way taken off balance.

Mr. MacDonald: I was not taken off balance, I saw its weakness right there at the first.

Mr. Whicher: All right, but the hon. member did not see this weakness. I agree that the municipalities should pay 30 per cent. of a project such as this, but they should pay only 30 per cent. of the material costs and of all the labour, not just that little trickle of unskilled labour who are the only people that we are going to get to come in under this plan.

Mr. MacDonald: The confusion is great all around.

Mr. Whicher: Well, it is not rectified any when I look over at the hon. member, I can assure him.

Mr. MacDonald: Well, that is a good debating point.

Mr. Whicher: As far as I am concerned there is no debate about the point at all. It is a fact.

Now that we have the municipalities paying about \$50 million in order to get this \$5 million back, I would like to turn to another point of the hon. member for Riverdale's speech when he discussed, quite realistically, I thought, the debt situation in the province of Ontario and some of the revenues that are derived each year—

Mr. Macaulay: I suggest—

Mr. Whicher: And, oh, I hope it is not here. The hon. member for Riverdale suggested that the net debt this year for the province of Ontario would increase by \$100 million this year. Yes, he suggested and, in so doing, I believe that he suggested that the next year, if revenues remained the same, and if the gross national product remained the same, that in all probability it would increase by \$100 million the following year too. Which would mean this, that by the end of the year 1960, the net debt of the province of Ontario would be \$1 billion approximately.

Mr. Speaker, I would like to remind the House about the debt situation in the province of Ontario, and how it has increased during the past few years, and in so doing, I want to remind hon. members of this, that this is the only government in Canada—

Mr. Lavergne: We will agree with the hon. member. It is the only government.

Mr. Whicher: —the only senior government in Canada, where this situation has continually become worse. In the year 1949, the net debt in the province of Ontario was \$483 million. In other words we will say roughly, \$.5 billion.

Now, according to the hon. member for Riverdale, and indeed according to myself for I agree with him entirely, within a 10-year period, the debt is going to double. It will be \$1 billion.

Figures that we have here showing the net debt increase from 1946 right to 1957 certainly prove this fact. The debt has been going up considerably every year, and as Opposition hon. members have pointed in the past, up to last year the debt had increased since 1949 by \$275 million, roughly \$100,000 a day or (this sounds like a Cinderella story, but it is an absolute fact) that since the hon. Prime Minister took office, the net debt of the province of Ontario has increased by \$4,000 per hour—

Mr. Auld: Who said this?

Mr. Whicher: It is right here, hon. Mr. Wardrope's figures. The net debt is increasing by \$4,000 per hour. He will admit it himself, but now it has got to the point where it will increase even more.

Interjection by an hon. member.

Mr. Whicher: No, I suggest this, Mr. Speaker, that if our debt and the gross national product remain the same and total revenues remain about the same, if our debt increases in the same proportion from now on as it has this year and next year, if it is \$1 billion in 1960, it is going to be \$2 billion by 1970, if the revenues remain the same.

Now the cost of keeping a debt such as that is fantastic. Why, we will be paying out, in interest rates, \$100 million by 1970, there is no question about it at all. This was a total budget—yes, far more than the total budget—that was put down by the Provincial Treasurer years ago when my two hon. friends to the right of me were sitting here.

Mr. Macaulay: We have a few people—

Mr. Whicher: We have a few people but they also have a few people in the province of Quebec, and they also have a few in the provinces of Alberta, Saskatchewan and Manitoba and there the debt has been going down. There are a few people across the Dominion of Canada, too, and up to now, the debt has been going down. Where it is going to go after the medicine at noon hour, I have

no idea. They probably have the solution there.

Mr. Cowling: Would the hon. speaker permit a question?

Mr. Whicher: I certainly would.

Mr. Cowling: Would he tell the hon. members what the per capita debt is? Has that increased?

Mr. Whicher: I do not have the figures, but like the hon. Prime Minister says, I will only be too glad to look it up and reply at some future date.

Mr. J. Yaremko (Bellwoods): Would the hon. member permit another question?

Mr. Whicher: Certainly.

Mr. Yaremko: Would the hon. member tell me why he voted against increasing the revenues for this province a year ago?

Mr. Whicher: I will come to that later. It will be answered in just a minute or two. Mr. Speaker, this is what I want to leave with the hon. members of this House.

I agree that the gross national product for the province of Ontario particularly, and particularly as it refers to the corporation tax and income tax, is going to be steady for a few years or for some indefinite period. We are at a period of digestion, there is no question about that, and if the revenues of this province are going to continue the way they have in the past, I believe, like the hon. member for Riverdale, that we will be going into debt to the tune of \$100 million a year for some time to come.

I am not sure, however, that the revenues of this province will remain the same, because since the year 1949 and through until last year, there were really no major increases in taxation except in the year 1952, when this province entered the tax rental agreement and we started to get 5 per cent. of the personal income tax—that was a major increase for the revenues of this province, but since then there have been no major tax increases until last year. But, in spite of the fact that we were just riding along on the same taxes that we had before, the revenues of the province were always increasing.

When we come to such things as gasoline and liquor taxes, I do not think that the gross national product has got too much to do with it. I suggest that the highways of our province are going to be used more and more, and that people will regard automobiles as an absolute necessity, and they are going to buy

more and more gasoline, and the gasoline tax is going to increase and our revenues are going to increase also.

I say this, that if they do not increase, that does not mean that they will not have more revenues, because all we have to do is look at what happened last year—the hon. members on the government side know how to get more revenue, there is no question about that. All we have to do is look at the logging tax that the hon. member for Riverdale has suggested might be repealed. It was increased last year. There is the mining tax and the gasoline tax that was put on last year, an extra two cents, not only for the automobiles on our roads but for everybody using an outboard motor in this province.

Did hon. members ever hear of anything more ridiculous in their lives? A gasoline tax for the highways of this province—charging people for using an outboard motor when they run across the lake! A gasoline tax on the aeroplanes that fly over this province if they buy the gasoline here! Again, did hon. members ever hear of anything so ridiculous?

Mr. Speaker, the government will have no trouble in getting additional revenue, and I strongly suggest that the revenues will not remain as they are. Take our diesel fuel tax that was put through last year. When hon. members increased its taxation by over 100 per cent., in one year it is terrible. It is not so bad on the percentage basis when they go from 11 to 13 cents on gasoline, but when they go from 9 to 20 cents in one year, and increase one single tax by over 100 per cent., I suggest that hon. members of the government will not have any trouble getting more revenue in the province of Ontario in the future. They will just put some more taxes on—the 2 per cent. corporation tax, for example. Why, when they put 2 per cent. on, is there any reason why the people of Ontario will not think that they will possibly make it 3 or 4 per cent.? Well, I suggest this government will do it. If they want it, then they are going to put taxes on.

Our liquor tax has also been increased—our tax on breweries and on beer. I suggest that the hon. member for Riverdale made just one little slip when he suggested that the revenues of this province are going to remain the same. They certainly are not, they are going to go up and up and up, because our licence fees are going up and up and up; when we go to buy them this year, we will find how much farther they have gone up; our permits are continually going up, and where it is going to stop nobody knows except the hon. members over there,

and until they take a definite stand for the people of this province and try to lower a few taxes instead of putting them up—

Hon. Mr. Dunbar: The hon. member should have been at Aylmer at election time.

Mr. Whicher: The hon. member for Bellwoods (Mr. Yaremko) wanted to know why it was that last year I voted against the increased taxes, when I said this afternoon that the debt is continually increasing. There is a most logical reason. Each year the government has underestimated its revenues since 1949, and last year when we were debating this point in the House, they said that the revenues as of March, 1957, would be \$420 million approximately. I point out that the revenues were \$479 million and that they underestimated their revenues by exactly \$59,783 million or something like that. That is not a bad underestimation, is it?

This government has been underestimating its revenues for years and years, and we in the Opposition properly said if they will bring these revenues up where they should be, if they tell us exactly how much they are going to take in, and if they will show us a plan for the reduction of debt in the province of Ontario, that we will certainly “string along” with them. Obviously they must have revenues—

Mr. Macaulay: Is it possible that the hon. member can be right on both scores, that he voted against the tax increases because the revenues were going to increase, and at the same time he now says that the debt is going to go up? He cannot be right on both those scores, can he?

Mr. Whicher: I think I can certainly be right. We certainly voted against the tax increases because the hon. Provincial Treasurer underestimated the revenues by some—

Mr. Macaulay: In that case the debt should not be up. That is why the hon. Opposition members voted against the taxes.

Mr. Speaker: Order. If the speaker wishes, the question will be allowed and I will permit it, but if he does not, he can refuse.

Mr. Whicher: I am sorry, I have sort of lost the trend of thought here, the question I believe was if the revenues were more how could the debt be more?

Well, the answer is, this government spent more, a whole lot more; they spent exactly \$160 million more than they said they were going to spend. That is why they are an extra \$100 million in the hole. They spent

\$60 million in general revenue and they spent \$100 million on capital and put us, the people of Ontario, exactly another \$100 million in the hole, and they will do exactly the same thing next year if they do not increase the revenues or cut down on some of this unnecessary spending—

Some hon. members: Like what?

Mr. MacDonald: Like they asked in Ottawa when they got into power.

Mr. Macaulay: Let him name an item.

Mr. Whicher: For example, like the people down in Ottawa said before the election, "cut down on some of this civil service, the inspectors who inspect the inspectors." That is how they cut down on the inefficiency of the government that we have here in many departments.

The hon. Speaker has asked me to curb these hon. questioners, so in order to satisfy the hon. Speaker, I am going to have to curb them to some extent.

Now, the next thing I am going to speak about—I am sorry to leave the hon. member for Riverdale (Mr. Macaulay) because I assure him I was most sincere when I told him I appreciated his speech and, while I think his ideas are a little "screwy"—is that parliamentary language?—that is given in a kindly tone, and if he wishes me to withdraw it, I certainly will. Some of his remarks, nevertheless, I did appreciate.

Now for a few minutes I wish to speak and I am sorry that the hon. Minister of Highways (Mr. Allan) is not in his seat, because I do not like to be too critical of anyone when he is not here, but I wish to speak for a few minutes on some of the views that I have with regard to the running of The Department of Highways.

In so doing, I wish to point out some of the greatly added revenue that we have had on highways in our fuel taxes, licence fees and so forth, in the province of Ontario, during the past few years. For example, in 1949 we took \$52 million in as a fuel tax. In 1957 we took in \$112 million. I think everyone will agree it was a great increase. Our licence fees went from 15 million in 1949 to \$49 million in 1957, and I bring that out to you, Mr. Speaker, and to all of the hon. members of the House, just simply to prove the fact that there are certainly a lot of monies being paid into The Department of Highways. Of course, the people of the province are paying the bill.

I am going to propose something here, and I wish the hon. Minister were here so he

could understand it, but in the province of Ontario at the present time we have approximately 8,700 miles of provincial highways, and The Department of Highways, through the hon. Minister and through the hon. Provincial Treasurer (Mr. Frost) look after all the expenses on these highways.

We also have such things as county roads, and there are 9,384 miles of county roads in this province of Ontario, and the province pays 50 per cent. of the cost of those roads.

The subsidy, incidentally, is in the neighbourhood of \$12 million.

Now my argument is simply this, that inasmuch as the province of Ontario is collecting every single nickel from fuel tax, licence fees, and so on, every nickel that has to do with the driving on highways, therefore they should pay more money out for such very important roads as county roads. Inasmuch as they have the machinery, the snowplows, the graders and the men, the offices and the engineers, they could very well take over all of the county roads in this province.

Hon. members may think that is going a little bit too far, but let me tell them this, at the present time The Department of Highways is spending only \$12 million on the county roads, which means that the counties are spending \$12 million. In other words, it would not be an expensive proposition, it would cost in the province of Ontario out of the coffers of the treasury, approximately another \$12 million, and I think it would certainly reduce taxes. I say it would reduce the taxes on the home owner and the property owner in this province of Ontario to the tune of \$12 million.

Now, let us look at it, let hon. members just think about it in their own ridings. In my own, I have a Department of Highways garage on one side of the street and a county highway garage on the other. Is there any sense to it? I do not think there is. I have The Department of Highways engineers in one building and the county highway engineers in another. I have stenographical help of The Department of Highways in one building and stenographical or clerical help for the county highways in the other. And I claim that there is a great duplication of effort between the counties and the provincial Department of Highways.

Hon. Mr. Dunbar: The hon. member is not suggesting that we do away with the county council, is he? That is what Mr. Hepburn suggested.

Mr. Whicher: I am not suggesting that, I leave that up to the hon. Minister, but I am

suggesting this, that for the sake of efficiency and for the sake of good roads the province of Ontario could very readily take over the county highways in this province. Once more, to summarize: because they have the engineers necessary to do the job, they have the equipment to do the job, they have the garages to do the job, and they have all the material that is necessary, it could be done very easily.

Now, quite rightly, I believe that the property owners should have something to do with the paying of taxes on roads, but let me remind hon. members of this in case they think from now on there would not be taxes taken out of the property owner for the roads.

In this province of Ontario we have over 50,000 miles—well over 50,000, 60,000 miles—of roads in the townships, the unorganized townships and in the cities, towns and villages of this province that the ratepayer or the home owner would still be paying taxes on. I feel it is strictly a matter of efficiency that The Department of Highways has the men, and in many instances, as hon. members know, they are not too busy in some portions of the year and they could just as easily as not take over the county roads in their particular locality.

Mr. G. F. Laverne (Russell): Like the Liberals did before.

Mr. MacDonald: The hon. member was with the Liberals then.

Mr. Laverne: Let the hon. member not tell me who I was with. I happened to be there.

Mr. Speaker: Order.

Mr. Whicher: Now, in dealing with The Department of Highways too, I wish to point out something that has annoyed me, and certainly the hon. leader of the Opposition (Mr. Oliver) for some years. In reply to the criticism of the hon. leader of the Opposition of last year, and in fact for several years, the hon. Minister of Highways announced what he called a 20-year plan last year. It was certainly no plan at all. All it said was this: "We are going to spend so much money for the next 20 years, and we are going to build the highways to a certain depth of cement or asphalt or whatever it might be, and our bridges are going to be constructed this way."

But the announcement did not say where these highways were going to go.

In answer to myself, the hon. Minister said that if he showed a plan where the future highways were going in this province of

Ontario, why then land values would skyrocket and it would be impossible for the province to finance the highway-building.

But I suggest this, that inasmuch as we have the powers of expropriation, he does not have to worry about the land values increasing tremendously just because we know that, in the year 1965, there is going to be another highway go a certain place. But I do suggest this—for the sake of the individual of the province of Ontario who is now living next to provincial highways, there should be a plan.

If the hon. Minister does not believe me, let him ask the motel owners who are out at the Humber. They have millions of dollars invested—or hundreds of thousands in any event worth of investment—out there. The highway has not come along and is skirting them, and they are afraid they are going to lose all the money they have invested in those motels.

In my county, between the towns of Southampton and Port Elgin, there was a little garage owner who 3 years ago came to The Department of Highways in Toronto and asked the department if there was any chance that the highway would be changed and miss his place of business, because he was about to buy it. The Department of Highways in this building, or in the Parliament Buildings here, told him that there was no chance of the highway being moved.

So, taking their word for it he purchased the garage and put a considerable amount of money into the business.

The very next spring The Department of Highways came along and made a corner and missed his place by 300 or 400 yards. Consequently the highway does not go by his garage now, and it has made it most inconvenient for him in a financial way; a place that previously was worth a considerable amount of money is now worth considerably less.

I suggest to the hon. members of the government that individuals still have the right to be looked after in this province, particularly people who are living on highways. If we are going to change the road, we should let them know it and not keep it hidden in the dark vaults of Queen's Park.

Two years ago I spoke on another matter in connection with highways, and I am going to bring it up again, as I saw it over the week end.

In the province of Ontario, up until this past storm in the area in which I live, there has been very little snow, but it seems that every day, whether there is any snow

on the pavement or not, The Department of Highways' trucks continually go up and down spraying sand and salt on the surface, particularly salt.

Mr. G. C. Wardrope (Port Arthur): In our country, if we did not have salt we could not get started.

Mr. Whicher: Well, that may be true in the hon. member's area—

Mr. Nixon: Where does the hon. member live?

Mr. Whicher: Like the hon. member for Bellwoods who checked me on this two years ago, I too agree that if there is any chance of saving a life or an accident, let us put the salt on the road, by all means, but if it is not needed, as is the case in many instances, I suggest that the trucks remain in the garage where they should be, because it costs every motorist in this province at least \$200 or \$300 a year for the damage that salt is doing to the undercarriage of the automobiles. I think that where it is necessary it should be used, but I think the hon. Minister (Mr. Allan) should speak to his engineering staff and orders should be issued that when the pavement is dry, or is covered with just a light fall of snow, we should forget about the salt proposition and think about the car owners of the province of Ontario.

Now I had not intended saying anything about this, this afternoon, but inasmuch as the hon. member for High Park (Mr. Cowling) brought it up, I must say a few words about it, and that is about compulsory automobile insurance.

Hon. members on the other side of the House wonder why he does not like the word "compulsory", but, Mr. Speaker, I would like to make a strong plea to the government this afternoon, to the hon. members of the government, that some type of compulsory automobile insurance be brought into this province as soon as possible.

To my knowledge, it is the only catastrophe that can overtake any individual in this province now where he cannot be looked after. If our house burns down and we have no insurance, it is our own fault.

Mr. Jackson: The same with an automobile.

Mr. Whicher: The same with an automobile, if it is my automobile. If I run into somebody and kill him, and I am sued for \$50,000 and I am not covered with insurance, why then it is my fault.

If from now on, as of January, 1959, if I get a catastrophic illness I can go to hospital for all time with no cost, and I am looked after there, but I ask the hon. members of this House what happens if I walk down the street or any of them walk down the street and are killed, and the man who hits us and kills us has not any insurance, what happens? That is what I want to know.

Mr. Cowling: We should go to the Unsatisfied Judgment Fund.

Mr. Whicher: All right, then, we go to the Unsatisfied Judgment Fund and after going through courts and trials and tribulations for months and months, why an injured complainant may get paid off at \$2,000 or \$3,000 or at most \$5,000.

Hon. A. K. Roberts (Attorney-General): They get the same amounts now as the minimums under policies—

Mr. Whicher: All right, in other words they get \$10,000. Now I ask the hon. member for London North (Mr. Robarts) here how his wife would like it if somebody went down the street—and we hope it will never happen—and killed him, and they pay her off at the rate of \$10,000 for his life? I know he is a good Conservative but quite frankly I think he is worth minimums.

Hon. Mr. Roberts: Even if there is compulsory insurance, unless the liability is unlimited you come to the top of the liability, and today I think in the state of New York it is the same as here, \$10,000 and \$20,000, so that you would have the same position. Our Unsatisfied Judgment Fund meets those minimums.

Mr. Whicher: Yes, but the hon. Minister forgets this, that I did not say that we should have the same limits as they have in the Unsatisfied Judgment Fund, because obviously they should be increased and it would be at no particular extra cost to the motorist or the man who buys the insurance.

Now this is what I have in mind; I agree with the hon. member for High Park (Mr. Cowling) that it should be in the hands of private insurance companies and not in the hands of the government.

Mr. MacDonald (York South): They are in the same bed again—Liberals and Conservatives.

Mr. Whicher: I would like to point this out, particularly to the hon. member on my right, that—

Mr. MacDonald: There go the private insurance companies. Keep the rates up.

Mr. Speaker: Order.

Mr. Whicher: I would like to point out that these insurance companies are in the insurance business and they are in the business quite frankly and quite rightly with the thought of making money. There is nothing wrong with that, that is the way our country has been brought along and, in spite of the fact there are some people who do not want it to be that way, it will be that way for all time.

The reason I want to leave it to private insurance companies is as follows:

First, there are people on our highways who should not be driving and I would make it compulsory before a person can get a permit, he must have an insurance policy. Now then, our insurance companies will sell it if it is at all saleable, but they will not give it to somebody they may think is not a fit risk to drive an automobile on the highways of this province, and should not be there in the first place.

The insurance companies are in a much better place to cut them off, and not give them the policy, than people in the government are, because when a government handles insurance, as in all other branches, there is a certain amount of red tape. The insurance companies should handle it, there is not any question about it whatsoever.

And I think the rates should be put, instead of 10, 20 and 5, I will just throw in a suggestion here that we should start at 25, 50 and 5, at least, as every hon. member in this House knows the added cost to an insurance policy from standard rates of 10, 20 and 5, to 25, 50 and 5 is very little indeed. Very, very little.

We should protect the people who are walking down the streets and driving cars in this province of Ontario, and the only way to protect them is to demand that if a man runs into my car or kills me, that my wife and family can be properly compensated, and there is only one way to do that, and that is bring compulsory automobile insurance into this province.

And while the Unsatisfied Judgment Fund is a try—I give this government full marks for the try—it simply does not meet the requirements of the people. It does not meet the requirements of the widow when her husband has been killed.

In concluding my remarks this afternoon I just want to say something in regard to

the bill which has been presented to the committee on education. It was presented very well in the House by the hon. Minister of Education (Mr. Dunlop). With reference to the loan fund that seemingly is going to be granted to students who have a 60 per cent., or thereabouts, mark in high school, they are going to be allowed to carry on in university and this province is going to loan them the money.

Now I have a few thoughts about that myself and, in the first place, I do not believe that there should be any interest rate while the student is in university. I think that this province—and I bring this to the attention of the hon. Minister of Education before he presents it for its third reading—I do not think that they should pay any interest rate while in university and we could very well let it go for one year after graduation from university. That will give the student an opportunity to get on his feet and start to pay back the loan.

Secondly, I am most opposed to the suggestion of the hon. Minister of Education, and the suggestion that has been put through the newspapers and radios of our province, that the students will require an endorsement by their parents.

I would simply like to say this, that the education in this province and indeed in this country is not just of benefit to the individual, it is also a great benefit to the province and to the country as a whole. Therefore it is up to us, up to hon. members opposite, as the government of this province, that inasmuch as they are going to benefit by the further education of the students of this province, they must accept some of the risk.

It is not fair to ask a parent to guarantee a loan of \$1,000 a year for 4 or 5 years. May I remind hon. members that the guarantee that they are asking him would certainly reduce his credit at chartered banks, mortgage companies or wherever he wished to borrow while that loan was in force. And indeed this guarantee that they are going to force him to give would hang as a threat over the parents for years and years.

Also, would it be fair to ask someone else to guarantee it if the parent was not in a good financial position? I suggest that it is not fair at all, and that hon. members are putting the parent who is being asked in a most unfair position, because obviously the parent does not want to stop his son or daughter from further education, and obviously the neighbour or whoever it might be who might be asked to guarantee the

loan, also wants to see the student go further as far as education goes.

But it is most unfair that this should be necessary, and I suggest that the province of Ontario can well afford to accept the guarantee themselves, and accept the rates of repayment back from the students under whatever terms it suggests, for the good of the whole province.

I would like to remind the hon. members of the House about something that was said at the Liberal convention in Ottawa only a couple of months ago, in regard to education, and I think that the hon. Minister could well steal some of the thoughts that were expressed there as far as education and the youth of this province are concerned.

This is what they said in dealing with youth—that in consultation with the provinces, and working through the national conference of the Canadian universities, they would establish 2,500 Canada scholarships and 7,500 Canada bursaries for university students, and with federal capital establish a university loan fund. Now that is what this province is going to do now.

Mr. MacDonald: Why did they not do it when they were in power?

Mr. Lavergne: What were they doing for 22 years?

Mr. Whicher: There is no question that there were many mistakes made in the past. We are talking about the future.

Firstly, regarding scholarships and bursaries—scholarships would be awarded for 4 years and be worth \$1,000 per year.

Secondly, bursaries would be awarded for 4 years and be worth \$500 per year.

The awarding of scholarships and bursaries would be by open and competitive examination conducted in the two official languages by the national conference at Canadian universities. In other words, the universities, and not the government, are going to run this show. The estimated number of scholarships and bursaries from the fourth year on would be 40,000; estimated cost with 40,000 scholarships and bursaries would be \$25 million per year—a small price I suggest, not only for the teacher of the individual who is going to the university, but for the future of all Canada, because the educated race is going to come to the forefront.

Firstly, regarding the university student loan fund to be administered by the national conference of Canadian universities and the hon. Minister, I suggest that that

is what should be done here. This loan fund should be administered by the Ontario universities and not by The Department of Education.

Secondly, that they be available to students according to conditions to be defined by the conference, in other words, by conditions defined by the universities themselves who are surely in a better position to make these decisions than the government.

Thirdly, loans should be interest free during university attendance and for the first year after graduation.

Fourthly, loans should be repayable in 4 years with interest at the rate of 4 per cent.

I wish to assure the hon. Minister of Education, for whom I have a lot of respect, that these thoughts are given sincerely and I do hope, particularly, that he will review the decision that he has evidently made as far as demand that the parents of children attending university or some other guarantor sign a note, which would be a threat over the head of the guarantor or the parent for many years to come.

Mr. A. R. Herbert (Temiskaming): Mr. Speaker, may I move the adjournment of the debate?

Motion agreed to.

Mr. Speaker: Order of business.

THE COUNTY JUDGES ACT

Hon. A. K. Roberts moves second reading of Bill No. 59, "An Act to amend The County Judges Act."

He said: Mr. Speaker, in moving second reading, may I say this is a very brief amending Act. The effect of the Act will be that the oath of office of a county court judge, which at present must be taken before a person appointed for the purpose by the hon. the Lieutenant-Governor and this requires an order-in-council, will be administered by the senior judge in point of time in any district, or by the second senior judge if the first senior is not available.

Motion carried; second reading of the bill.

THE PUBLIC TRUSTEE ACT

Hon. Mr. Roberts moves second reading of Bill No. 62, "An Act to amend The Public Trustee Act."

He said: Mr. Speaker, this bill simply provides for a second deputy public trustee. The

division of duties in that office now would appear to be of such a nature that two deputy public trustees are desirable.

Motion carried; second reading of the bill.

THE SUMMARY CONVICTIONS ACT

Hon. Mr. Roberts moves second reading of Bill No. 63, "An Act to amend The Summary Convictions Act."

He said: Mr. Speaker, this bill provides for the granting of bail by any police officer in relation to any police station in relation to any offence under the provincial statutes, and the effect will be that there will be a widening of the right to grant bail which should have a beneficial effect in smaller municipalities. Also where a person is apprehended on a relatively minor charge under a statute, he can be released to come before the magistrate at the proper time without having to wait perhaps for two or three days for a hearing.

Motion carried; second reading of the bill.

THE MECHANICS' LIEN ACT

Hon. Mr. Roberts moves second reading of Bill No. 64, "An Act to amend The Mechanics' Lien Act."

He said: Mr. Speaker, this bill contains a number of amendments to a technical Act and has been prepared after a subcommittee composed of experts in mechanic lien work of the administration of justice committee has recommended the changes. They are all aimed at smoothing out the procedure and bringing the Act up to date.

Motion carried; second reading of the bill.

THE LAND TITLES ACT

Hon. Mr. Roberts moves second reading of Bill No. 65, "An Act to amend The Land Titles Act."

He said: Mr. Speaker, as I mentioned when this bill was introduced, there are a number of self-explanatory amendments to The Land Titles Act, and the main purpose of this bill is to clarify beyond any question that an absolute title to property under The Land Titles Act cannot be defeated by adverse possession.

Motion carried; second reading of the bill.

THE CERTIFICATION OF TITLES ACT, 1958

Hon. Mr. Roberts moves second reading of Bill No. 66, "The Certification of Titles Act, 1958."

He said: Mr. Speaker, this bill will go to the committee on legal bills, and there I expect that it will be discussed in considerable detail, and unless some hon. member wants me to repeat what I said when the bill was introduced, I will say no more at this stage.

Motion carried; second reading of the bill.

THE TOWNSHIP OF KAY ROAD ALLOWANCE ACT, 1958

Hon. C. E. Mapledoram moves second reading of Bill No. 67, "The Township of Kay Road Allowance Act, 1958."

He said: Mr. Speaker, the purpose of this bill is to establish the road allowance between lots 15 and 16, concession 8 of the township of Kay in the position generally accepted.

Motion agreed to; second reading of the bill.

THE PROVINCIAL LAND TAX ACT

Hon. Mr. Mapledoram moves second reading of Bill No. 68, "An Act to amend The Provincial Land Tax Act."

He said: Mr. Speaker, the purpose of this bill is to improve the administration practice under the Act by dividing the province into 3 areas, and assessing the land in each area once every 3 years.

Motion agreed to; second reading of the bill.

THE CANCER ACT, 1957

Hon. M. Phillips moves second reading of Bill No. 74, "An Act to amend The Cancer Act, 1957."

He said: Mr. Speaker, in order to expedite the transaction of business, the quorum of the Ontario cancer treatment and research foundation, which consists of not fewer than 7 members, and of the Ontario cancer institute, which consists of 12 members, is reduced from a majority of the members to 5 members.

Motion agreed to; second reading of the bill.

THE CEMETERIES ACT

Hon. Mr. Phillips moves second reading of Bill No. 75, "An Act to amend The Cemeteries Act."

He said: Mr. Speaker, the purpose of this amendment is to remove any doubt that the hon. Attorney-General (Mr. Roberts) may direct a disinterment for the purpose of a criminal investigation when no proceeding has been instituted. As a matter of fact, may I say to the hon. members of this House that we simply added the words "criminal investigation" instead of "proceeding".

Mr. D. C. MacDonald (York South): Mr. Speaker, on the general principle, I do not know whether I am speaking to the principle of this bill or the general principle of The Cemeteries Act, does the government intend to bring in any further legislation to deal with stricter accounting or supervision of the operation of the privately-owned cemeteries?

Hon. Mr. Phillips: Well now, Mr. Speaker, what does he mean by "privately-owned"?

Mr. MacDonald: Mr. Speaker, last year these so-called "memorial gardens" had considerable debate in the House. The hon. Minister will recall that the government took steps to bring them under closer government supervision.

Now, at that time, some of us in the Opposition felt that the government had not gone far enough. Their claim was that in their opinion the government thought that this was going to meet the need, and that we would have to bide our time to see whether experience would prove this to be the case.

Is it the government's conclusion, in the intervening period, that the tightening-up of regulations last year was sufficient to meet the situation, or does the government plan to bring in further amendments to cope with the supervision of privately-operated cemeteries?

Hon. Mr. Phillips: Oh, the hon. member means profit-making cemeteries, that is what we call them. Mr. Speaker, may I say that we have already put through regulations that do bring them more in line, and I will be glad to speak on that in this House, and also see that it is brought before the committee on health when it meets.

Motion agreed to; second reading of the bill.

THE MUNICIPAL UNCONDITIONAL GRANTS ACT, 1953

Hon. Mr. Roberts moves second reading of Bill No. 77, "An Act to amend The Municipal Unconditional Grants Act, 1953."

He said: Mr. Speaker, this is the bill which provides for the payment of an unconditional grant of \$1 per capita with respect to persons residing on Indian reserves, to the county in which the reserve is situated, to assist the county in the administration of justice.

Mr. F. R. Oliver (Leader of the Opposition): Would the hon. Attorney-General indicate what he thinks will be involved in that?

Hon. Mr. Roberts: Yes, I think the total amount is about 11,600 Indians living on reserves.

Mr. Whicher: May I ask the hon. Attorney-General a question? I realize this is for the justice end of it. They did not get that before, but the other unconditional grants, did they get those? That is, the \$2 per head, or per capita?

Hon. Mr. Roberts: I am afraid that is not within my jurisdiction to answer that specifically.

Mr. Whicher: I thought the hon. Attorney-General might know. We have not got the hon. Prime Minister in.

Hon. W. A. Goodfellow (Minister of Agriculture): We will be glad to get the information for the hon. member.

Motion agreed to; second reading of the bill.

THE TOWN SITES ACT

Hon. Mr. Mapledoram moves second reading of Bill No. 84, "An Act to repeal The Town Sites Act."

He said: Mr. Speaker, the substance of this Act in revised form is being incorporated in The Public Land Act, section 7 of Bill No. 85.

Motion agreed to; second reading of the bill.

Hon. Mr. Goodfellow: Mr. Speaker, before moving the adjournment of the House, on behalf of the hon. Prime Minister and hon. members of this House I would like to pay a tribute to a valued civil servant who passed away on Saturday morning after a short illness.

As a matter of fact, the hon. Prime Minister is at this time paying his respects to Colonel Ernest James Young, M.C., better known to us who knew him well as "Ernie".

Colonel Young had a distinguished military record, he served in World War I with the Royal Canadian Engineers and went overseas again in 1940 with the Second Road Construction Company of the Royal Canadian Engineers.

He was born in Sherbrooke, Quebec, in 1883, and his early interest was railroad engineering at North Bay, where his father was one of the pioneer engineers with the Canadian Pacific Railway.

In May of 1944, he was appointed by the Ontario government as executive director of veterans' rehabilitation, and subsequently he served under 3 Prime Ministers as executive assistant.

I know the hon. members of this House would want me at this time to extend sym-

pathy to Mrs. Young and her two daughters and also express to the hon. members of this House our feelings that he was a good friend to those who knew him—he was a good, competent, kindly, sympathetic kind of man who was highly regarded as an able and outstanding civil servant.

We pay tribute to him for his service overseas in two world wars, and for the exceptional qualifications he had as an executive in the government services of Ontario.

Mr. Speaker, I move the adjournment of the House. We will continue with the debate on the Throne speech tomorrow.

Motion agreed to.

The House adjourned at 6.00 of the clock p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Tuesday, February 18, 1958

Speaker: The Honourable A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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1958



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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, FEBRUARY 18, 1958

3 O'CLOCK P.M.

resided with the applicant for a period of 6 months instead of the present requirement of 12 months.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Motions.

Introduction of bills.

Hon. G. H. Dunbar (Provincial Secretary): I beg leave to present to the House the following:

1. Copy of board and council No. 1175-57 under The Northern Development Act.

2. Report relating to the registration of births, marriages and deaths in the province of Ontario for the year ended December 31, 1957.

Mr. Speaker: Orders of the day.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day I would like to address a question to the hon. Minister of Agriculture (Mr. Goodfellow).

Yesterday's edition of the London *Free Press* carried a story date-lined Chatham, in which a Kent shipper and farmer has indicated that today he is reopening for business in shipping hogs in an attempt to challenge the Ontario hog producers' marketing board. This shipper, Edgar Martin by name, has indicated that hogs delivered to his sales yard will be marketed in Montreal in direct contravention of the board's orders. I have two questions which I would like to ask the hon. Minister.

First, what action, if any, does the government plan to take in face of this open challenge of the marketing law of the province? Secondly, since the shipper in question states that he is taking this action because preparations are not being made for the vote announced by the hon. Minister in October to be held in March or April, will the hon. Minister indicate if and when the government intends to hold this vote?

Hon. W. A. Goodfellow (Minister of Agriculture): Mr. Speaker, in reply to the two questions of the hon. member for York South, I would say that I also read in the press where it is alleged that Mr. Martin has challenged the hog producers' marketing board.

As perhaps most hon. members of this House are aware, both The Ontario Farm Products Marketing Act and the federal Agricultural Products Act were revised and

TOWNSHIP OF TECK

Mr. A. R. Herbert moves first reading of bill intituled, "An Act respecting the township of Teck."

Motion agreed to; first reading of the bill.

THE CHILD WELFARE ACT, 1954

Hon. L. P. Cecile moves first reading of bill intituled, "An Act to amend The Child Welfare Act, 1954."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the main amendments of this Act are as follows:

Firstly, the amendments are designed to clarify the limits of a municipality's liability to pay for the maintenance of a child in the care and custody of a children's aid society. Another feature is an order to prevent unduly protractive adoption proceedings; it is provided that a new application must be made if the first application has not been heard by the court for 12 months after it was signed.

Where a child sought to be adopted was born out of wedlock, provision is made that only the mother need give consent, but for the consent to be effective, the child must be 15 days or more old or the consent may be cancelled within 15 days. All consent must be in writing, and can be withdrawn only if the court is satisfied that it is in the best interest of the child.

The other feature provides that an adoption order may be made after the child has

amended at the last session respectively by this Legislature and the House of Commons, so that they are complementary to one another.

Any contravention of a marketing board plan within the provincial jurisdiction is where the product is sold in contravention within the province, but if, as is alleged, these hogs are shipped out of the province, then it is a contravention of the federal Agricultural Products Act.

I might say that as far as the hog marketing plan is concerned, the Ontario farm products marketing board and the federal authorities have given the hog producers all the powers by regulation, under those respective Acts, so that it is entirely a matter up to the hog producers' marketing board as to what steps they uphold or wish to take in respect to this matter.

I might say that it is alleged that hogs have been moving into Quebec province at the rate of 500 or 600 a month for some time now, and no steps have been taken by the Ontario hog marketing board to lay any charges. They are aware of this, so they tell me themselves, and I presume that they will be taking the necessary steps if they wish to stop this practice.

As far as we are concerned, we stand behind the Ontario farm products marketing board, or Act rather, and we have given all the powers to this particular commodity group to enforce the Act themselves, the same as the peach growers did in relation to the infraction of their marketing plan last fall.

In respect to the second question, it was intimated to the hog producers that it was felt advisable by the Ontario farm products marketing board that there should be a vote on their plan, and in order to make it effective they should assure themselves that they have the whole-hearted support of the hog producers of this province. I feel that is important with any marketing plan, that it is much better to be able to convince people that we have something good to offer, and get them to go along on a voluntary rather than on a compulsory basis.

I think that is pretty sound in principle, that we should have a predominant majority of the farmers who are sold on the particular marketing plan which affects their commodities.

In respect to a date for a vote which the Ontario farm products marketing board might decide upon, that will be decided in the fullness of time. I do not think personally that it will be a good idea to have a vote on the hog marketing plan at this particular time for very obvious reasons, and I might say that

the farm products marketing board is a very flexible board, and in this respect they have left themselves in a flexible position.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, I would like to address a question to the hon. Attorney-General (Mr. Roberts).

Has the hon. Attorney-General undertaken any investigation into the disturbing suggestions that, in view of the great prevalence of bank robberies, police should be ordered to shoot suspects on sight?

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, I assume that this question is prompted by some report that the hon. member for Waterloo North has read, some after-dinner comments, and perhaps off-the-cuff comments, of some municipal dignitaries when disturbed about these robberies, perhaps at some civic meeting. I would say that the question, of course, is very clearly answered in the code itself and in the instructions given to police officers. I would draw the attention of the House to the provisions of the criminal code; section 25, subsection 4, deals with a person who appears in sections 25 and 26 of the criminal code; section 25, subsection 4, says that a peace officer who is proceeding lawfully to arrest, with or without warrant, any person for an offence for which that person may be arrested without warrant. Everyone lawfully assisting the peace officer is justified, if the person to be arrested takes flight to avoid arrest, in using as much force as is necessary to prevent the escape by flight, unless the escape can be prevented by reasonable means in a less violent manner.

Then, section 26 states that everyone who is authorized by law to use force is criminally responsible for any excess thereof according to the nature and quality of the act that constitutes the excess.

And then, in the Ontario provincial police book of instruction and rules to the police force itself, on page 53 under the heading of "Use of Force and Fire Arms," these words are I think relevant to this discussion:

When a police officer is making an arrest for an offence for which a warrant is necessary, he is only entitled to use sufficient force to repel the force used against him and in no case is he to use such force that may cause death or serious and grievous harm. A peace officer, in lawfully proceeding to arrest a person whom he may arrest without a warrant, is justified if the person flees to avoid arrest, in using such force as may be necessary to prevent his

escape by such flight, unless the escape can be prevented by reasonable means and a less violent manner.

which is just a paraphrasing of the code.

This permits the use of fire arms, but only as a last resort when it is the only way to prevent an escape. Under such circumstances, the shooting will be deemed to be justified under section 41 of the criminal code, but the constable must not shoot except as an extreme measure, and of course we know that a constable who uses a weapon unnecessarily, actively, and offensively is liable to prosecution, and also of course—and what may be more serious for him—is liable to a civil action for damages.

I might say that with those provisions I do not think I am required to investigate any suggestion such as has caused the hon. member to put this question. But I will say that, since he refers to bank robberies in this question, it has been my view during this epidemic that there is a considerable responsibility, Mr. Speaker, on the banks themselves, and that by use of more uniformed guards in their own employ, they can go a considerably greater distance than they are going at present to meet this situation squarely face to face when it actually occurs.

Mr. Wintermeyer: There is a supplementary question to the hon. Attorney-General, and this is in all seriousness.

I gather that he personally does not agree with the suggestions made in the past few weeks by certain responsible officials, suggestions which could certainly be interpreted that responsible police officers should be encouraged to make themselves legally responsible for the use of fire arms in unnecessary cases.

Now I personally agree very much with his observations about the banks. Would the hon. Attorney-General publicly agree with me that the type of statement which has been made in the course of the last few weeks, with respect to encouraging police officers to use fire arms, is an undesirable thing?

Hon. Mr. Roberts: Well, I think perhaps by just stating the law as it is and showing the difficulties a police officer could quickly get into if he does not keep within the bounds, that that pretty well answers the question, and I certainly am not one who wants to see any indiscriminate shooting going on.

Mr. Speaker: Orders of the day.

SPEECH FROM THE THRONE

Mr. A. R. Herbert (Temiskaming): Mr. Speaker, in taking part in the debate, it is my privilege as the vice-chairman of the Ontario northland transportation commission to speak about our railway and its ancillary services.

The two great railways of Canada, the Canadian Pacific Railway and the Canadian National Railways, were built to traverse the country from east to west for the purpose of opening up our great country from coast to coast.

In the north, the Temiskaming and Northern Ontario Railway, now the Ontario Northland—the people's railway, which is owned by every one of us in this province—was conceived and constructed by the Ontario government solely as a development road within this province.

When the idea was mothered, it was for the purpose of giving northern settlers at the Lakehead and at Temiskaming access to southern markets, and at the same time make available for further settlement highly productive agricultural lands in our clay belts, which exploratory surveys had disclosed, and to exploit our extensive forests.

Unknown at that time was the untold hoard of precious minerals at Cobalt, Timmins and Kirkland Lake, and the base metals in the Rouyn-Noranda area.

In 1904, the first work trains reached Cobalt and as a result of this government project "boom towns" grew up overnight which affected the whole economic pattern of northern Ontario. The hoard of precious minerals and metals had been detected and new settlers flocked to the area.

As a result of these unforeseen and progressive discoveries, splendid towns with all the amenities of modern living have grown up, and the agricultural economy of the country has been placed on the sound basis of ever-growing local markets. The railway has been instrumental in the operation of great pulp and paper mills and sawmills throughout the territory it serves, and the natural beauties of this lovely country of lakes and forests has become a magnet to attract thousands of tourists and sportsmen.

Now I would like to tell the hon. members something about the operation and quality of their railway. Although it was for many years in a monopolistic position, since there was neither a highway in its territory nor other railway competition, its rates were always devised to promote expansion of industry and not to throttle it. That principle is in effect today. Throughout the whole history of the

railway, there has been a consistent policy of improvement of its services. What started as a "bush" railway has become a first-class system, modern to the fullest extent.

For instance, the Temiskaming and Northern Ontario Railway was the first in Canada to have its passenger trains fully equipped with steel cars. At present, and for the past year, the railway has been completely dieselized, which is not only a measure of great economy but has also contributed to the comfort of its passengers and the general efficiency of the railway.

A block signal system, which now extends from North Bay to Swastika, is yearly being pushed northward. Radio-telephones have been installed in locomotives and vans to facilitate train operation, and the roadbed, year by year, is being upgraded by the use of heavier rails and treated ties.

Not only is the physical condition of the railway undergoing constant improvement, but the train crews and station employees have earned a reputation for courtesy, of which the railway is extremely proud.

The ancillary services of the Ontario Northland Railway are also worthy of more than passing mention. To supplement the rail passenger service, the railway operates a highway service between North Bay and Timmins, employing the most modern diesel buses. There are also daily services between Cochrane and Timmins, New Liskeard and Elk Lake, Porquiss Junction and Iroquois Falls. Buses are also available for charter.

To promote and encourage tourist traffic in the summer resort areas, the railway operates fleets of boats, both for passengers and freight, on Lake Nipissing and Lake Temagami. At Moosonee the railway's comfortable Log Lodge gives accommodation in that romantic and historic area, and, in the fall, the Hannah Bay Goose Camp makes available unequalled shooting to sportsmen from all parts of Canada and the United States.

It may also be said that the rail head at Moosonee, Ontario's only seaport, facilitated greatly the construction of the Mid-Canada Radar Defence Line, and it is not too much to hope that, in the not-distant future, Moosonee may be of major importance in the development of the iron ore deposits on the Belcher Islands and the nickel-copper deposits in Ungava.

The railway also has a flourishing communications department. This was born of necessity in the early days, when the telegraph lines for railway operation afforded the only immediate means of communication with the outside world. From this developed a

system of long-distance telephones, until today most of the local long-distance business and all external long-distance calls are handled over the railway's wires.

In addition, teletype services are afforded throughout the railway's territory, and radio and the audio portion of television broadcasts make use of the Ontario Northland Railway facilities.

Railways in general have been affected by the levelling out of Canadian industrial and business activities, and the Ontario Northland Railway has been no exception. The decline in traffic on the railway in the past year followed an exceptionally busy year, because 1956 was a near-record year for the railway.

However, in view of the unemployment situation, every effort has been made to continue the employment of persons who, normally, would have been subject to seasonal lay-offs.

This is particularly true of the section gangs, which have been kept up to strength and, for shop employees, some extra work of a minor nature has been found to keep all employed.

While much outdoor work is impossible under winter conditions, plans have been made to start such work as soon as weather conditions permit. The Ontario Northland Railway appreciates the loyalty of its staff and is making a concentrated effort to retain them in full employment.

In conclusion, I wish to emphasize the fact that, much as this railway has meant to northern Ontario the benefits it has conferred on the whole of the province are even more outstanding. It is not too much to say that Bay Street in Toronto is to a very great extent a product of northern Ontario. From 1903, when silver was first discovered in Cobalt, until today, there has been an ever-increasing activity not only in financial circles but also in the industries of Ontario as a whole.

Every mine in Ontario draws supplies from 40 to 50 industrial communities in the south. Southern agriculture has also benefited from the good markets created in the north. The activities generated in northern Ontario have spread far and wide.

In the days ahead, one can visualize more belching smoke stacks of industry with the refinement of our natural resources at the source of production, due to the advent of fuel from our western provinces at attractive reduced costs as the gas pipe line snakes its way ever eastward and southward.

I hope my remarks have given hon. members some idea of the Ontario Northland Railway, and that they will agree with me that it is one of the most efficient and necessary services to the people of northeastern Ontario.

Where there are people, there is business, and if we make it easy for them to come to us, they can become our customers. It is a service of which we may all feel proud, and I would like to compliment the other members of the commission who, through the years, have so successfully handled the affairs of this provincial undertaking, and also to pay tribute to the officers and staff for their achievement. The Ontario Northland Railway, the people's railway, has played a major role in our province.

Mr. A. Wren (Kenora): Mr. Speaker, would the hon. member for Temiskaming permit a question?

Mr. Herbert: Yes, I will permit a question; Mr. Speaker.

Mr. Wren: I would preface my question by saying that I appreciated the remarks he made about the loyalty of the employees on the Ontario Northland Railway. I would ask this question: Following the release of the Kellogg Royal commission report of diesel firemen, what action does the Ontario Northland Railway commission propose to take with regard to the diesel engine men?

Mr. Herbert: In reply to the hon. member for Kenora, I would like to say that I am very concerned, as are all other members of our commission, and I have read at great length the many submissions that have been sent to me.

I would like to say that it must be remembered that, in comparison to the giants of the railway industry, our railway is only a very small one. I would say that our firemen have been very faithful employees, and have worked their way into this position by seniority which is respected.

Our commission will be discussing this question at a very early date, and I will be glad to inform the hon. member of their conclusions. Personally, I would like to see the firemen retained on our railway.

Mr. G. C. Wardrope (Port Arthur): Mr. Speaker, as usual I am very proud to be given the opportunity to address this august assemblage, and in commencing my remarks I want to again congratulate you on the dignity with which you maintain your office and the kindness that at all times you extend to me.

You know, I believe, that a Speaker in this House is one of the most important parts of our governmental assemblage. The public come here to visit us, we at times become irate and get a little out of hand, and the Speaker must be a man something like yourself, sir, who has a very finely trained, stentorian voice and a manner that exudes confidence and fairness. He must be able to adjust these things to the satisfaction of the hon. members at all times, and discipline them if necessary, and also be a great credit to the public who favour us with their visits at the time of session.

So I congratulate you, Mr. Speaker, and hope that you are spared for many years to carry on in the gracious, expert way in which you do in that office.

I might also congratulate your deputy Speaker (Mr. Allen), an old friend of mine from Middlesex South who has endeared himself through the years to all of us, a man of great standing and honour in this party, and one whom we are all proud to see elevated to that office which he now holds.

My congratulations also go to our new hon. Minister of Mines (Mr. Spooner) from Timmins. He is an hon. gentleman who has a great faculty of building realism, a man who is a splendid speaker and who in his short term in office has endeared himself very much to the hearts of my people in the north country—especially those in the mining business.

I would say that he will prove to be a great asset to this government and one of the finest Ministers of Mines that we have ever had. His training would certainly indicate that, Mr. Speaker.

Also, I extend congratulations to the new hon. Minister of Reform Institutions (Mr. Dymond). Might I say that mighty "Scotch Adam". He is a great speaker, and one who is efficient in his work at all times and dearly beloved by us in the north.

In fact, if I might be permitted, Mr. Speaker, I would like to repeat a story he told when he made his first appearance at our centennial. A young Scottish couple were coming over to this country, and the mother gave birth to a baby on the way over. They were in very straitened circumstances, and the passengers, feeling rather sorry for them, took up a collection.

When the captain was presenting it, he congratulated the passengers on the round sum they had collected, it amounted to \$333.03, and they could not understand where the 3 cents came from until somebody sug-

gested that there must be a Scotsman on board.

There was a big laugh, and finally a voice at the back said, "Aye captain, there were three of us."

That is my friend, the hon. Minister of Reform Institutions, and he certainly does not carry out that policy in the work he has undertaken. May he be spared long to carry on in that office.

Then there are many other things about which to congratulate this party at this session; one concerns the splendid new hon. members that have been sent to us in great numbers through by-elections in the last few months.

My friend the hon. member for Lanark (Mr. McCue) is an outstanding physician in civilian life, and is a person who is going to make a great mark in the political annals of this province. I congratulate him and welcome him to our ranks.

Then next, I congratulate the hon. member from that famous old constituency of Gengarry (Mr. Guindon). He is the hon. gentleman who seconded the speech from the Throne and made such a wonderful job of it. I told him afterwards that, if I could speak the two languages the way he can, I would feel very proud indeed. I predict a very, very rosy future for him in the future political life of this province.

Then we have a great farmer from Middlesex North (Mr. W. A. Stewart). From speaking to this hon. member, I believe he has most of the answers to our agricultural problems. To him I extend the welcome hand, and hope that his life will be long in this House and be very happy indeed.

Then, last but not least, there is our newest hon. member from Elgin (Mr. McNeil), the youngest member I believe, and also the most eligible bachelor and a great man in the hog producing business.

Mr. Speaker, I listened with a great deal of interest the other day, when the hon. member for York South (Mr. MacDonald) was talking about hog marketing, and as I listened I could not help but think of the hon. member for Elgin who knows so much about the business, and I considered finally that the hon. member for York South knew about as much about hog marketing as I do myself. In fact, his education I believe, was limited to looking at a pork chop in the pump room of the Lord Simcoe Hotel.

Mr. MacDonald: I have never been in the pump room.

Mr. Wardrope: That is where the hon. member had his meeting. I have often thought, Mr. Speaker, that some of us who are not versed in those things would be very wise if, before speaking, we consulted some of the experts such as my hon. friend from Elgin.

Hon. Mr. Dunbar: Do not mention any more about that, the hon. member will make them feel bad.

Mr. Wardrope: I will try to spare them in the future. I am also sorry to see that my dear old friend, the hon. member for Peel (Mr. Kennedy), is not in his seat. He is a man whom I greatly admire, along with every hon. member of this House regardless of politics. He has been in this House, I think Mr. Speaker, for some 39 years, and he moved the Throne speech.

The hon. member's speech was full of folksy lore, knowledge and wisdom, and I would say to some of the younger hon. members that if they want answers to their political problems, or to their cares, if they would spend a few hours with the hon. member for Peel it would greatly enrich their future in politics and make sure of their continuing success at the polls, because he has a great record and is greatly respected in this province.

Coupled with him, I could not help but think of my old friend, the hon. member for Brant (Mr. Nixon) whom I have admired for a great many years. He has a history in length of 39 years in this House and is respected by all.

The point came up, Mr. Speaker, when I thought of those two hon. gentlemen, the Indian chiefs, that I have heard the hon. Prime Minister and the hon. member for Brant speak so much about. We have many of them in this House and in the federal House. The present hon. Prime Minister of Canada (Mr. Diefenbaker) is Chief Eagle. Our own hon. Prime Minister of Ontario (Mr. Frost) is Chief High Water. The hon. member for Peel is Chief Clear Sky. The hon. member for Brant is Chief Trees of a Level Height, meaning all men are equal—a great name. Our hon. Minister of Planning and Development (Mr. Nickle) is Chief High Sky and my own title, of which I am very proud, as a chief of the Pays Platt tribe, is Okinanaw Yoa, the Coming Voice.

Mr. MacDonald: What about the hon. Minister of Agriculture (Mr. Goodfellow)?

Hon. Mr. Scott: The hon. member for York South should have been Bald Eagle.

Mr. Wardrobe: I might say this, Mr. Speaker, that I would like to suggest to our hon. Prime Minister that it might be possible to have a meeting of the chiefs, because we must remember that these Indian chiefs are very proud of their titles, as we are, and when we are made chiefs, we are taught that it is something to respect and something of which to be proud. I know that I have constant correspondence with Chief Muskwash, the chief of the Pays Platt tribe to which I belong, and I think that we should give consideration to having a reception, we brother chiefs—I am suggesting this also to the hon. member for Brant—and invite that great new Senator, chief Gladstone, to be our guest of honour.

I do not know where this meeting should be held, but I give that out, Mr. Speaker, to our hon. Prime Minister as something that should be given consideration, because I believe the appointment of Senator Gladstone is a milestone in the history of this country and I think we, as fellow chiefs, all feel very proud of that appointment, and I am sure I am speaking for the other chiefs when I say that we would be glad to be guests at a dinner held in his honour.

Mr. Speaker, I want to say a word about the Throne speech. To my mind, it was a very fine Throne speech, one that heralded many advances in human betterment and progress for our people in this province. It further advances the programme of human rights which after all is the most important thing in our political history.

Also, I am pleased with the health and welfare services that were mentioned in that speech, heralding the new great Ontario hospital plan that will come into being on January 1, 1959, something of which I think we will all be proud. I know this will be of great benefit to the people because it will remove the catastrophic financial effect of illnesses of long length, which in the past has driven many of our people into a state of poverty.

Also, may I mention the far-reaching reforms in our school grant system. I was very glad to see that, and also the increases in old-age assistance benefits, blind persons' allowances, disability pension allowances and the contemplated construction of new homes for the aged. Increases in all these fields should be always close to our hearts.

I cannot help but think of the first home for the aged, Mr. Speaker, and its inception which took place in England in 1919 under the leadership of former Prime Minister Lloyd George. They held a vote throughout that

country as to whether or not they would establish these homes.

At one of these little polls there was a very arrogant gentleman who did not believe in what he called these "give-aways" by the government. He was very much opposed to Lloyd George's plan for homes for the aged, and he stood in the poll, and a little old lady came along.

The arrogant gentleman said to her: "I suppose, Mrs. Smith, you are going in to vote for that charitable give-away you hope to get, the next thing Lloyd George will be promising you will be a free trip to heaven."

She hesitated for a minute and then said: "No sir, I don't think he will promise us that, all he is trying to do is make the waiting room a little more comfortable."

Mr. Speaker, we in this province have given increased assistance to these beautiful homes—I have a new one in my own city, which is really a beautiful home—and when I go up there and see these elderly people living under the bettered circumstances they are living in now, in comparison to what they had a few years ago, it makes my heart proud that I am a member of a government which sees things that way, and is bettering the lot of those who are in the later days of their lives.

And the increase in the old age pension that our government brought in just recently, what a great step forward that was in human betterment! At the next election, I know that our older people will express their approval in no uncertain way of what they feel should have been done long ago.

Now, Mr. Speaker, in regard to increasing school grants, I will not dwell on that. The assistance to students through the universities, by the way of loans and bursaries, and also the decreasing of the burden on the municipal taxpayer which is being constantly furthered by this government, and the increased programme of highways and public works—these are things which are really the hallmark of a government that is on the march in doing things for its people.

Regarding forest and access roads and parks, I have my own confrère, the hon. Minister of Lands and Forests (Mr. Mapledoram) with me, and I wish to say publicly that he is doing a marvellous job in promoting these lands, and I might say I am right at his elbow constantly telling him of other things that we can think of to do, and he is doing a great job in getting them through.

I think of one road, the Black Sturgeon road—you will hear much more of it, Mr. Speaker. When the Black Sturgeon road is completed, there will be a road servicing the people of a community that has been in existence for more years than I can remember, and it will be the first time in their lives that they have ever had a road to the highways or to any part of this continent.

Mr. MacDonald: It took them 30 years.

Mr. Wardrope: That is right, and we have it now. The hon. member knows the government which promised it and the government which is going to do it.

Another road I might mention is the Savant Lake road. When that is completed this year, it will let the people of Pickle Crow and Central Patricia Mines—I believe the farthest mining community north in this country—out by road to the city of New York or any other portion of this continent.

Another first for this government, park improvements, a great new plan to provide parks and playgrounds for our people.

Mr. MacDonald: What about Hornepayne—when are they going to get out of there?

Mr. Wardrope: Hornepayne is now on the way, it will be completed this year, and the hon. member will see the announcement within the next two or three days.

Regarding Seagram and Manitouwadge, I might mention that by the time this government gets through at the end of this year or early next year, there will not be one town in that whole north country in my area that will be without a road. It will be the first time in the history of this country, and none of them were started until this government took office in about 1943.

All has been done under a Conservative government, and done without federal government help until 7 months ago when a change was made and a real government was elected in Ottawa.

Someone mentioned, Mr. Speaker, that the shelf for public works projects was being dusted off. Now, Mr. Speaker, I want to say that the Ontario shelf of public works has never in my experience been allowed to gather dust. An announcement made in the past few days by our hon. Prime Minister, regarding aids to employment, is ample proof of that statement.

Might I be pardoned, Mr. Speaker, or I ask your pardon, for mentioning a few things about northwestern Ontario—that part of

Ontario of which I am so proud. Possibly some hon. members get a little bit tired of me speaking of northwestern Ontario, but after all, Mr. Speaker, it is a great part of this province, and it is going to provide the natural wealth to keep this part of the province going, and it is a very, very important part of the economic future of this whole country.

There is no area in the world so ready and rich for development, and at the same time so ready for experiment. By the free enterprise system—and in the 212,000 square miles of territory of northwestern Ontario, the tremendous strides already accomplished have, of course, been made possible by a system of free enterprise—and the faith and initiative of those who have pioneered in the development of our natural resources, they have reached the point today—a study of them will convince most of us, Mr. Speaker—where great benefits are being derived from their products. Most evident is the obvious good life in the communities built up around these developments, another first for our government in taking over the planning and development of these bush towns today.

One person per square mile is the population figure for the area at the present. What a terrific potential, Mr. Speaker, when viewed in the light of these figures! Fanning out from the Lakehead—and you know this, Mr. Speaker, some may not—the pre-Cambrian shield and beyond is as yet hardly scratched for mineral wealth. Even with the many discoveries in iron, nickel, gold, silver, copper, zinc and lithium, to mention but a few, much of the territory has not been prospected.

In this field a very significant development is under way, namely a geological and geophysical survey of the Canadian shield being sponsored by 20 mining companies at the present time. From this a great deal of new knowledge will be forthcoming and perhaps great new mining camps will develop.

This is another example of the dynamic impetus being shown by free enterprise, and I stress that, Mr. Speaker—free enterprise.

The forests, of course, are a known quantity. A great deal of credit is due to our forestry branch and our men of the forestry industry because they have been at this for some time, safeguarding this natural resource through a vigorous programme of perpetual yield. The few great areas available for the further development of the pulp and paper industries are being allocated to companies so that they may be economically sound for

the harvesting of trees, and at the same time allow strict adherence to the programme of perpetual yield, which is most important. And this is a field in which free enterprise and government must work hand in hand, and it is a combination which all peoples are glad to see and be a party to.

Another fact capital appreciates is the acceptance by government of its request to have all forest products processed in the area. The opportunities are various and many.

The area is the greatest in the world for every type of vacationist, as our very able hon. Minister of Travel and Publicity (Mr. Cathcart) knows, and I think some 18 million tourists came into Canada last year. I have forgotten the amount of wealth that came in but it is tremendous.

Hon. Mr. Cathcart: \$300 million—give them the works.

Mr. Wardrobe: \$300 million, a tremendous industry, Mr. Speaker. Private enterprise has done a good job in the building of camps and motels throughout northwestern Ontario, but so much is to be done if we are to meet the demands of the thousands who will come to see its scenic beauty, to fish and hunt, and enjoy a family holiday among its many lakes and rivers.

Here too, the entrepreneur or the private enterprise man finds capital hard to obtain. It is hoped that the requests of the chambers of commerce to have the building of tourist accommodation included as an item eligible for loans from the industrial development bank will be considered.

I think, Mr. Speaker, that some of these tourist operations are entitled to financial aid greater than they are getting today. It is a big problem. Many people say it is an industry that runs for only a few months, therefore it is not stable for a loan. I think differently. These men have put thousands of dollars into their plants. In the future this industry is going to grow tremendously, and I would like to bring to the attention of our hon. Minister that some very definite plan should be brought out to help these men, because there is a great future in this field of continuing wealth flowing into this country from other parts of the world through our tourist industry.

We have, as hon. members know, in the last few months, our natural gas pipe line and the new Ontario hydro electric power development which is giving great impetus to further expansion. All communities, in co-operation with the northwest Ontario develop-

ment association through their councils and chambers of commerce, are doing all they can to help whenever an opportunity for a new business occurs.

In this field the junior chamber of commerce is something that needs commendation with its young and vigorous outlook; they can do a great deal, and it is a great training for young men to obtain an insight into the possibilities for future expansion as they become apparent with study.

Now we know that the cause of northwestern Ontario can best be served, I repeat again, by free competitive enterprise, we have seen the fruits of it in the economy of the area, in our standard of living and in consumer prices—and, after all, we are all consumers.

It was gratifying to me to find the Lakehead cities setting aside waterfront property for accommodation of ships which will be travelling via the seaway, and it is easy to visualize the products of this area, in even larger quantities, being funnelled through the twin cities to the open sea. That is a great future picture, Mr. Speaker, and one toward which we are all looking longingly.

Last, but by no means least, and I think this is important, is the small business man, the pillar of our communities. This group as a whole give more to their towns and cities than any other. Their unstinting support of all community efforts is a recognized fact, and it is to be hoped we never find our economy without them.

It is good free world thinking, Mr. Speaker, to be known as partly a nation of shopkeepers.

Many believe planned economy nations are best. We hear so much about planned economy, about our planners doing things according to a plan that has been laid out for the whole country, Mr. Speaker, but I do not go along with that talk. It smacks too much of that country to the north of us, the Union of Soviet Socialist Republics, and at all times when I hear about them I really get a pain in my stomach, if not some place else.

Regarding these shopkeepers, many planned economy nations envy our privilege of going shopping where we choose. Loans for small businesses should be supported by every faction of the economy as part of a plan. At the outset, experiment was mentioned, the thought was a free competitive enterprise plan in which profit motive is an accepted fact, and recognized by all as the best way to improve the standard of living.

My hon. seat mate here (Mr. Macaulay) was talking about saving a little and spending a little the other day. How true he was! It is necessary for small business and big business, labour and government, to pull together and plan to see that no body or group pulls more vigorously than the others in order that this plan may stay on course for the ultimate benefit of every one of us.

An Hon. Member: Hear, hear.

Mr. Wardrope: I would like to say something about our wood products of which we are all so proud. I might mention that the hon. Minister of Lands and Forests and myself attend these meetings, and know these gentlemen who tell us these things because they live in our area. I notice my friend, the hon. member for Kenora (Mr. Wren) and my friend the hon. member for Sudbury (Mr. Monaghan), and other northern members in their seats. They have a part in this great work of producing minerals and timber and so on, and they can take no small share of credit in the things that I am saying at the present time.

Northwestern Ontario's multi-million dollar expansion programme of its forest products industry continued without abatement throughout 1957. The growth pattern involved most of its 10 big pulp and paper mills and new plywood and processing plants, despite the levelling off trend.

Despite the levelling off trend in the industry, the pulpwood harvest of 1957-1958 is expected to reach 2.5 million cords, only slightly less than last year's total, indicating the general stability of the industry in the northwest.

Forest cutting, now almost a year-round operation, fluctuated from month to month from nearly 4,000 employed workers to more than 8,000 camp workers. The timber operators association reported the whole season unmarred by interruptions such as strikes, fires, poor weather or labour shortage.

Now, slight cut-backs are expected in projected harvests by companies, but these will be balanced generally by increased purchases from farmers, wood-lot owners, and others. Much of this year's cut already has been hauled to rivers and landings, and labour needs will be lowered as a consequence.

Some of the tremendous amounts invested in these projects, Mr. Speaker, can be run over quickly. The spotlight naturally is focused on the massive programme of expansion affecting mills of the Great Lakes Paper Co. Ltd.; Abitibi Power and Paper Co.; St.

Lawrence Corporation; Dryden Paper Company, and Ontario-Minnesota Paper Company.

At Fort William, the Great Lakes Company brought into production its new newsprint machine, the mill's third, and now is installing the fourth machine in the project, costing \$35 million.

No. 3 machine produced its first sheet of newsprint June 14, just 13 months after ground was broken for construction. It began production on a commercial basis in July, and is designed to operate normally at 2,000 feet per minute, 90,000 tons of newsprint a year. A tremendous figure, Mr. Speaker. The machine has been stepped up gradually and will touch maximum output before the year's end.

At the moment, that machine is the largest in the world by a great deal and I think the hon. Minister of Lands and Forests will bear me out.

Work meanwhile has gone forward on the machine for No. 4 project, and is ahead of the construction schedule. It will be the largest newsprint machine in the world, turning out a roll of newsprint 342 inches in width, if you can imagine that, Mr. Speaker.

Also at Fort William, the Abitibi Power and Paper Company is pushing a modernization programme to cost \$22 million, at Red-rock. The St. Lawrence Corporation is spending \$18 million, and this follows closely on the completion of a \$14 million programme that involved a new kraft board machine and alterations to produce newsprint.

Now all these figures add up to a tremendous sum and I might ask: What does the future hold?

By May 1, 1959, the Anglo-Newfoundland Development Company is expected to begin construction of a \$55-\$60 million newsprint mill at Sioux Lookout, utilizing some of the last great accessible stands of conifers in that area. When its current phase of expansion is completed, the Great Lakes Paper Company plans construction of a new mill for manufacture of cellulose products at Fort William. This project will involve \$25-\$30 million.

There is every reason to believe, Mr. Speaker, that the forest products industry will continue to be a broad bulwark of the economy, not only of northwestern Ontario, but of the whole of the province of Ontario, if not of the Dominion of Canada.

In reading the current issue of the *Financial Post*, Mr. Speaker, I noticed on the front page a headline reading: DECISION READY—BC STEEL MILL COMES AT LAST, WATCH FOR DEFINITE PLANS WITHIN THE YEAR.

I would like to bring to the attention of our government the great necessity for giving consideration to a steel mill somewhere in northwestern Ontario.

We know that steel is the very foundation of a nation's industrial and economic strength. Canada is becoming more self-sufficient, but a wide gap still remains. Our great trade deficit with the United States largely is represented by steel and iron products. We recognize that mass production economies and vast technological advances of a nation of 175 million people on our doorstep are among the realities of a free-enterprise, competitive industrial system that we have learned to live with to our mutual benefit.

Indeed, Canada has led the world in, and this is important, her rate of industrial expansion since World War II. More than one-third of it is concentrated in Ontario. But, Mr. Speaker, are we as alert and aggressive as we should be in sustaining the tempo of this growth by greater processing of our natural resources for both domestic and export markets?

I refer particularly to our immense deposits of iron ore in northwestern Ontario. There are many. A happy continuation of these conditions now looms on the near horizon, and this would seem to offer glittering prospects to diversify this basic industry by processing and fabrication rather than by exporting the raw ore from the northwest.

What are the prospects now, Mr. Speaker? They include the availability of Alberta natural gas and the deep waterway with its expectation of substantially lower transport costs. Now those are two great things that are coming into being at the present time, Mr. Speaker, that have never been here before in the history of this country or this province—natural gas and low transport cost via a deep seaway to any ocean in the world.

Now, to these two tremendous projects must be added a third factor. It is the development of a phenomenal new process—and the hon. Minister of Mines knows about this—for reducing iron ore to a steel stock by the use of natural gas.

Now this discovery by Dr. Cavanaugh, outstanding metallurgist of the Ontario research council, is hailed as a revolutionary advance in steel-making. It is estimated that if this process were applied to the known iron ore bodies in northwestern Ontario alone, the natural gas requirements would equal the total capacity of the Trans-Canada Pipe Line.

Now that is an astounding statement but is a fact. The hon. Prime Minister recently observed that the patents on the process are owned by the Ontario government, the people of Ontario, and they will be used for the benefit of Ontario and its people. That was one statement which I was certainly pleased to see.

Mr. MacDonald: Where is the hon member's free enterprise there?

Mr. Wardrope: It will be free enterprise in time, but we are waiting until the time is opportune. Is the hon. member opposed to it?

Mr. MacDonald: No, I am not. I am wondering when this government is going to hand it over to somebody, though.

Mr. Wardrope: I believe, Mr. Speaker, that the time is opportune to go one step further. Ontario has the process, let us now determine the economic feasibility of establishing a steel industry at some point in northwestern Ontario.

I would like to plant this in the minds of the government:

The Department of Lands and Forests has an advisory council of widely experienced and knowledgeable experts to assist in the best use and perpetuation of our timber resources. It is equally advantageous to enlist the aid of competent authorities to survey and report on the prospects of still greater returns from our own iron-ore resources.

Cyrus Eaton, chairman of the board of Steep Rock Iron Mines Ltd., has gone on record indicating that the prospect was favourable even before natural gas was assured, and others have been equally optimistic. Since its formation a little more than two years ago, the northwestern Ontario development association has endeavoured to attract the attention of steelmakers, at home and abroad, to the region's resources and advantages, and deserve credit for a most meritorious work.

Not too many years ago, we exported our timber wealth in a raw state. Today, 10 huge pulp and paper mills employ 15,000 in mill and woodlands operations in northwestern Ontario. That was made possible because of the policies of the Ontario Conservative governments; they resulted in the creation of these new towns, and made possible the prosperity and security of thousands of families.

Let us attempt to duplicate this prodigious performance by a dynamic approach to the processing of our iron-ore resources.

I would just like to say that, up in our part of the country, there is no excess capacity of anything. Now, if private capital investment slows in the near future to the point where some additional government investment seems desirable to maintain economic activity, Ottawa should take a good hard look at opportunities for development in the north. There is certainly no excess capacity in northern facilities of the type that makes settlement possible.

Roads, railways, power plants, schools and medical facilities are scarce. As a result, most northern development must be undertaken by giant firms which can first take the risk of spending large sums to ensure themselves that resources exist in profitable quantities, and then spend the colossal sums required to create working and living conditions that will attract the necessary labour.

Many of the public projects suggested for the north could be justified at a time when private investment is plentiful, and government spending must be kept down to avoid inflation. But if plans and specifications were made ready, northern projects could be undertaken very quickly when the opportunity or need arose. Up there, Mr. Speaker, we are not at all afraid of air pollution. Let us have lots of smoke stacks up there, with the smoke coming out, and then we will look out for the air pollution problem.

And now I would like to say something about employment. One of Canada's continuing needs is more people. There is still room for many millions more than we now have, and the best welcome we can give to those who come to Canada from other countries, is to have here political freedom, economic freedom, incentive for the ambitious, a legitimate reward for all willing and able to work.

We must be able to show newcomers that Canada is a better as well as a bigger country than the ones they came from. Canadians are proud of their country, many will say it is the greatest of all countries, particularly since there has been increasing development of iron ore, uranium, other metals, and petroleum.

But greatness is more than the possession of material things. The greatest of all countries is that with the best citizenship, a country where people work and think and thoughtfully deal with public affairs. It is a great thing to be a Canadian in this day and age, for we enjoy personal freedom, a beautiful and varied countryside, high standards of life and living, and the respect of most of mankind. In the midst of all this natural wealth and beauty, we should sometimes stop and count our blessings.

Now, Mr. Speaker, that brings me to the point of the gloom that is spread from time to time by those who would use unemployment and the ever-rising figures as they say—quoting 700,000; 800,000; or a million—absolutely loose, irresponsible things which they know themselves are not true, which they hope will bring them political prestige and perhaps power. I do not go along with that, because I believe it is insidious, it is infectious and most harmful.

Let me give hon. members a case of a man in the city of Winnipeg to prove just what is done when people talk about ever-mounting unemployment and the depression that is bound to come.

In the city of Winnipeg, there is a man who has been saving for years to buy a particular automobile. He has now amassed the entire sum required, all cash, but he has not bought the car. The total purchase price has been sitting idle in a special bank account for 6 weeks. Why? No family calamity has wiped out all other savings, the man has not lost his job, he is not waiting for a price cut or considering alternative expenditures. What he is waiting for is some assurance about the future.

His family has no particular reason to feel uncertain. The husband is a union man with a high seniority, he has the benefit of a union contract giving him protection in case of layoffs or slow-downs.

Assessed on any detached basis, the chances of a drop in the family income in the foreseeable future are remote. But this man is 48 years old, he was 20 when the depression in the 1930's began, and he has not forgotten it. When it comes to depression talk, he scares easy. That is most significant.

Let us go back to the car sitting in the showroom because it is not sold to a first-time buyer for cash. Another straw has been added to the load borne by the automobile industry, creating real uncertainty as to the future income of its employees.

Their uncertainty inhibits their spending and so it goes, affecting retailers, wholesalers, clothing firms, appliance manufacturers, all down the line.

What can be done to induce the man with the cash to part with it? Add one unit to the sales volume of the auto industry, and put \$3,000 into circulation. A hard sell on the car will not do it, he has been sold on the car for years. Showing up his personal security will not do it, he is already surrounded with pension plans, seniority and perpetual savings.

There is only one way to lift the cloud of gloom that has settled over this man's mind, that is to quit talking ourselves into hard times; let hon. members remember that.

Mr. MacDonald: Nonsense, nonsense.

Mr. Wardrobe: We are not now on the verge of another decade like the dirty 1930's, we are not helpless to prevent the economy from sliding into an abyss.

The level of unemployment is little more than might be expected with a record 3.9 increase in the size of the labour force. The impact of this unemployment in the economy and on the individuals involved is not what it used to be.

Methods available to mop up unemployment are infinitely better than they were in the 1930's.

Mr. MacDonald: Mop up unemployment. Imagine!

Mr. Wardrobe: Some 5.5 million Canadians are working at jobs that are better paid than ever before; no one is asking responsible public men to be Pollyannas. There is no reason to conceal the existence of economic problems, but there is excellent reason to avoid exaggerating them, and there is even better reason to demonstrate that prompt and positive action will be taken to deal with the difficulties as they arrive.

Now, Mr. Speaker, I have no time for those who go around "yelling gloom", it is insidious and it is infectious, and it is doing this country a great disservice. I do not think that those who practice it have anything to be proud of.

I heard somebody mention the other day that a gentleman was talking about a million unemployed, saying that the Liberals were saying it was the Conservatives' fault, and the Conservatives saying that it was the Liberals' fault. We have not a depression, and unless we scare ourselves into it by these irresponsible remarks we will be well on the way to prosperity before many months have gone by.

Hon. members see the constructive steps this government is taking from time to time. We have one of the finest hon. Prime Ministers who has ever been in this province, in the person of "Old Man Ontario" (Mr. Frost), and he has been doing things especially during these last 7 months, the like of which this province never saw before.

Some hon. members: Hear, hear!

Mr. Wardrobe: And in Ottawa, we have

another man in the person of our hon. Prime Minister (Mr. Diefenbaker), who I will say is a man of firsts. When I say a man of firsts, I mean that he is the first Conservative Prime Minister in this country in 22 years. He appointed the first woman cabinet minister in the government in this country, he was the first man to have a Chinese hon. member in the government of this Canada of ours, he is the first to have a Ukrainian Minister of Labour in this Canada of ours, and was the first to appoint an Indian Senator.

Hon. Mr. Diefenbaker is the first Prime Minister who ever placed so much beneficial legislation on the statute books of this country for the welfare and benefit of the Canadian people in 7 short months, and he will be the "biggest first of all" on March 31 of this year, because he is first in the hearts of his country.

Some hon. members: Hear, hear!

Mr. Wardrobe: The other day my young hon. compatriot here ended his remarks with a poem. I hope hon. members will pardon me if I do the same thing, and it is a poem that I want to direct to these cries of gloom and doom on the unemployment situation. We in this party, Mr. Speaker, are builders, and we have no room in this country for what I will call wreckers. This poem goes something like this:

I watched them tearing a building down,
A husky gang in a busy town,
With the old heave-ho and a lusty yell,
They swung a beam and the side wall fell.
I said to the foreman, "Are these men
skilled?
The kind you would hire if you wanted to
build?"
He gave a laugh and said: "No indeed,
common labour is all I need.
I can wreck in a day or two, what others
have taken a year to do."
I thought to myself as I went my way
Which of these roles am I trying to play?
Am I a builder who works with care,
Living my life by the rule and square,
Living my life to a well-made plan,
Trying to help everybody I can?
Or am I a wrecker, who walks the town,
Content with the labour of tearing down?

Mr. MacDonald: Is this the hon. member's own poem?

Mr. Wardrobe: Mr. Speaker, we have not in this province or this country, at the present time, any room for those who tear down. Let us all be builders and, if we do, it will not be very long before this province and this

Dominion are on the road to new heights of prosperity and betterment for our people.

Mr. H. F. Fishleigh (Woodbine): Mr. Speaker, in reply to the speech from the Throne, I would like to heartily endorse the very kind words spoken by the hon. member for Peel (Mr. Kennedy) regarding our deceased members: the late Mr. Tom Pryde, Mr. Tom Patrick, and Mr. Fletcher Thomas. We indeed miss them very much in this chamber.

I would like also to congratulate Mr. Dana Porter on his elevation to the position of chief justice of Ontario. I would also like to mention the hon. member for Parkdale (Mr. W. J. Stewart), who has now taken upon himself a wife. May he live long to enjoy her love and her affection.

Mr. Speaker, this is the 25th legislative assembly, and 166 years ago we had the first legislative assembly which was 300 years after Christopher Columbus discovered America. It was held first over at Newark, in the Niagara peninsula, and at that time there were only 15,000 people in the province of Ontario, mostly all of whom were United Empire Loyalists. Colonel John Graves Simcoe was their Governor-General. He bought a tent from Captain Cook and pitched it on a high hill over in Niagara because the mosquitoes were rather bad down in the valley.

The first legislative assembly was held in a log cabin called Freemasons' Hall, and next door was another log cabin called Wilson's Hotel. Of the 16 members elected to the Legislature, only 13 attended, one member could not take his seat because of the fact that he was a Quaker and it was against his religion.

Now, what were the nature of the bills which they passed at that first legislative assembly? Well, they had a bill whereby they would encourage the destruction of bears and wolves, and they also inaugurated trial by jury. And then they put a tax on millers for milling flour. They put a tax also on stills of 15 gallons or more, and hon. members know that in those days ministers of the gospel were rather hard to find, sometimes the young people would get married and they would not be married in a church, so they passed a bill whereby common-law marriages were legalized, and moreover the illegitimate children were legalized too.

They had another bill at that first session which was interesting in that they prohibited Ontario people from owning slaves. Anybody who owned a slave had to let him be a free man when he was 25 years old.

Now the first session of the legislative assembly was well attended, but only 4 attended the second session. In those days they had no superhighways, they had to come by canoe, by schooner from Kingston, by horseback from London, so only 4 members turned up.

Therefore the Governor-General decided he would move the legislative assembly from Newark in Niagara to York, the city which was called York at that time and which is now Toronto, which means in Indian "a place for meeting."

So, Mr. Speaker, we have been meeting here ever since. And strange to say, the bills which they passed in those days were similar to some we still have. They dealt with taxation, housing and transportation.

In preparing my speech today, and reading over some of my others, I was surprised to realize how many points I had brought up in this legislative assembly that have actually been passed. I would say at least half of them have been put through.

There is an old saying that if one throws mud up against a blank wall long enough, some of it is bound to stick.

One day I was going to work and met a little lad who was sitting on the curb. He was about 3 years old, and he said to me: "Do you know what I just did?"

I said "No," and he said, "I made a face at that little birdie." So sometimes in speaking here one feels he is just making faces at those little birdies, the hon. cabinet Ministers.

I remember talking loud and long that we, the people of Ontario, should be allowed to buy houses with 10 per cent. down. Up until recently it was required that we would have to have \$2,500 or \$3,000, and that we should reinstate second mortgages. I am very proud to state that now, under our good government at Ottawa, a person can buy a house with 10 per cent. down and moreover, they have set aside \$400 million to build them, which is a great thing for the young people in Ontario.

But, unfortunately, it does not do the people in Toronto very much good, because of the fact that a house cannot be built for less than \$14,000 or \$15,000. We have set up this Metro and the Metro have planning boards, which seemingly have as much or more power than the councils themselves, and they have put on very high restrictions which prohibit building semi-detached houses, for example, and as a result the young people have to go to the

outskirts such as Ajax, Whitby, Oshawa and Aurora in order to have a house for around \$12,000 or less.

But, should Metro decide they should allow semi-detached bungalows, semi-detached houses, the young people could buy houses in Toronto.

In my riding of Woodbine, at least 50 per cent. of the people live very happily in semi-detached houses on 17-foot lots. The requirements for the outskirts is a 30-foot lot with a private drive, but the outside municipalities of Metro frown on these semi-detached dwellings and they say it cannot be done.

Now, the reason that a house cannot be built so cheaply is because of the cost of the services. The cost of land is very small in comparison with the cost of the services. It costs about \$50 a running foot for the services. Planning boards demand paved roads with curbs, sanitary sewers, storm sewers, sidewalks, and so on, plus \$5 per foot for the privilege of sub-dividing a lot, so we have \$2,500 for a lot, let us say \$1,000 for the land, totalling \$3,500, plus another \$500 profit for the sub-divider. That amounts to \$4,000 which makes it prohibitive to build a cheap house in the Metropolitan area.

I am very glad too, Mr. Speaker, to say that the termites are definitely on the decrease in Woodbine riding.

Some hon. members: Hear, hear!

Mr. Fishleigh: The reason is this. There is a wide valley going through Woodbine, and in the old days this valley was filled with logs and they decayed, and for some reason or other the termites got in these old logs. But this valley has been filled in for the most part and sodded down, and we now have a beautiful park there. There were old houses around this valley and most of them have been torn down. The materials have been destroyed and burned, and as a result, the termites are on the decrease.

One old-timer in the riding told me he was looking out of his window one morning and he heard a buzzing sound, and he looked out and there were millions of termites swarming around trying to find their queen, and eventually they found her and they took off to greener fields, I suppose to Lindsay or maybe they were going to a convention at Ottawa. Anyway, the termites have disappeared almost entirely, thank goodness.

Now, is it not very fine, Mr. Speaker, to be able to stand up here before you and no longer feel it necessary to talk about the old-age pension, of the inequalities of \$40 a month? With the good government we have,

we now have \$55 a month and the government is planning ways and means of increasing the \$55. It is very, very fine to be able to make this statement.

I have also learned, too, that a person has to blow his own horn in this chamber. If we do not blow our own horns, nobody is going to blow them for us.

For example, one would have thought that, regarding these very fine speakers which the hon. Minister of Public Works (Mr. Griesinger) installed for us, some hon. member would have stood up and said that the hon. member for Woodbine should be thanked for these very fine speakers, because now the children can visit us from the schools and also university students, and they can peer down on the bald heads and look at the silver locks of the hon. Prime Minister and listen to his melodious voice.

But nobody has said a word about the speakers, so one must blow his own horn.

When I was an alderman I used to present a number of motions to the council at the beginning of the year. Some of them would go through but others would not, so I would saddle up to some other alderman and sell him the idea, and he would put in a motion and I would vote for my own motion through him. So, in politics that is the way we have to get things accomplished sometimes.

I would like to impress upon hon. members the importance of our north country for tourists, especially around Collingwood and Gravenhurst. I have spoken on this before and I still believe that it is a good idea. We should attract more skiers to this area. Detroit, Cleveland and Buffalo are located in very flat country, and the young people would just love to go skiing in our north country. It takes a little organizing. I have contacted the airlines and they would be happy to co-operate. I have contacted the mayors in these various towns and cities such as Collingwood and Midland, and they can feed thousands of people, so the problem is not transportation nor is it feeding the skiers when we get them at the ski jumps.

I do not believe any hon. member should try to promote the government to do anything that he is not prepared to do himself. It is not fair, and maybe I will try this promoting sometimes myself when I get up enough nerve. The problem is that we might organize an excursion, advertise in all the newspapers in these 3 cities, organize for hundreds of people to make the trip, and there would be a thaw, and then the whole trip would have to be called off and it would

be a dead loss to the promoter or travel agents.

I am hoping that the new artificial snow which is being used on the ski jumps in Don Mills will eradicate this hazard. I do not think we should be too pessimistic about our tourist business in Ontario, it is growing. I know it is not as great as we would like it to be, but I believe that in the near future, maybe 5, 10, 15 years, we will have a great influx of summer tourists. For example booms run in cycles, real-estate wise. Florida, since the war, has had a terrific boom. People from Ontario alone spend \$80 million in Florida, and the boom has been so great that it has overflowed into Cuba, Nassau, Jamaica and the Dominican Republic where they are building huge hotels.

One promoter in Florida, on a lake only 14 miles long, sold 7,000 lots by using a nationwide advertising campaign. I predict the same people that are going to Florida will also come to our north country. They will be like the geese, go in the winter, come back in the summer, because where is to be found a climate better than our spring, summer and fall? It is so invigorating, it is so healthy.

And where can people find more beautiful clear, fresh water lakes, than our Great Lakes and our inland lakes? I think our future so far as tourists are concerned is very great. The only thing is that the people of Ontario and the United States have not realized the potentialities of our northern Ontario beauty spots.

I also mentioned that we should improve our restaurant down the hall. I believe it has been improved somewhat, but we should have it open all the time so if some of my constituents come down and I wish to serve them a cup of tea, I could do so at any time of the day. It is really just a makeshift proposition.

I would also like to say a word about the universities. I am very pleased that we, as a government, are giving many millions more to our universities. I am also encouraged because private enterprise is also giving more, and I think that everybody in Ontario is aware of the fact that we have to do more and more for our universities if we wish to bring this country to the heights we wish.

I have spoken before, and others have also, about a commuter train system for Toronto. I would like to speak on this commuter system again. It is one of the most important problems that we should consider and it would give work to people immediately. In

the city of Toronto we have railways coming in from Scarborough, we have them from Leaside, we have them from Malton, we have them from Oakville. It could be a natural commuter service coming into the Union station. The service is used now only for freight and a few passengers. A commuter service would in no way hamper the future building of an underground railway east and west. As a matter of fact, it would augment the Toronto Transit Commission's rapid transit service with customers.

All great cities have a commuter service to feed the underground. For example, the city of New York and the city of London, England, bring millions of people in by commuter service. They disembark at the stations and continue underground to their places of work.

We have been talking about a commuter system for years. I remember 5 years ago appearing before the board of control. They thought it was a good idea, and sent the idea to the board of trade. The board of trade set up a committee, they went to see the railway board in Ottawa which said: "Thumbs down on it, we will lose money," but I do believe that our TTC, if they were given the commuter system to operate, would do a good job and it would not show a great loss.

When I say commuter trains I do not mean the kind they have from Toronto to Oakville; they have to go to Hamilton to turn around. A modern commuter train goes in both directions. It should be run every half-hour, and it should be on a separate railway line operated by the Toronto Transit Commission. I am hoping this new government in Ottawa will give it further consideration, and that we will have a commuter service in the city of Toronto.

I would also like to say a word about the curtains in this chamber. Those curtains must have been up there for 30 years. It would be much brighter and pleasanter in here if those curtains were taken down and replaced with fibre-glass curtains. They have fibre-glass curtains all over now; the United Nations has them. They let the light through but take out the actinic rays that hurt the eyes and fade the rugs. They would be a great asset to the chamber; they would cheer it up.

I remember Mr. Salsberg saying one time that this government is afraid of the light of day, but be that as it may, fibre-glass curtains around this chamber would be much brighter. The press would be able to have the light coming over their left shoulders, and it would be much more pleasant.

An hon. member: What colour would it have to be?

Mr. Fishleigh: Oh, just a light colour, it does not matter.

I would like also to say a word about the pension plan for the hon. members, not so much for the back-benchers because, from what I have seen around here, they do pretty well for themselves. But I am thinking more particularly of the poor hon. cabinet Ministers. Now they should have a pension plan for their old age and possibly the back-benchers too, because many of them give their life in service to public affairs and they end up very hard up.

Not many of them go to the poorhouse but it is possible that they could, and a pension plan would not really cost the government much, or would not cost the individual much, because we have them in our own business, 2 or 3 as a matter of fact.

For example, I would put up \$3,000 which is tax-free, the government would put up \$3,000 which is tax-free, which would be \$6,000 you would save a year, and in 10 years we would have, say \$75,000, which would be quite a nest egg. It would, in effect, keep the hon. cabinet Ministers happy, they would not be playing musical chairs with themselves so much, they would not be seeking higher offices in Ottawa, and we would have them here to do the work for the province.

I am a great believer in security, Mr. Speaker.

I would also like to say a word again about the Jack Miner sanctuary. Mr. Manley Miner, the son who runs the Jack Miner sanctuary, is very happy indeed about the grant we gave him last year. That increased grant was very heartening. I believe that the Jack Miner sanctuary is one of the greatest advertising mediums we have in the province of Ontario outside of Niagara Falls. It brings people from the United States by the scores, to see the geese in the spring and the fall. It is the Royal York Hotel as far as the geese are concerned, because they are fed well and they have a good bed for the night, and they come back year after year. It is a very grand work.

The people from the United States come and take back plans of the sanctuary, and spend millions putting one in their state to harbour the geese as well. But we have this Jack Miner sanctuary for nothing.

The consular corps would like me to thank the government for their special licence plates. They have these in every country except Canada, and now they have them here in Ontario. People will recognize

them when they see them on their cars—it is CC1, CC2. Our hon. Minister of Highways (Mr. Allan) has granted them these special plates and they are very pleased at being recognized.

I would like to say a word about our highways. In the last year we have built more highways than we have ever built in the province of Ontario before. It was a record year in construction, and plans extend 20 years into the future, as far as the provincial highways are concerned. Other plans have been made for the municipal highways.

I still maintain that we are building our highways too slowly. As an hon. member of the Opposition said, we will be old men before the highway is built from Windsor to Montreal. The fact of the matter is, we build the highways only during the light of day, and contractors should be asked to build highways 24 hours a day.

We have good hydro electricity, we have lots of flood lighting, they can play football and baseball under flood lighting, and surely they can build highways under flood lighting. I guess the contractors do not wish to pay the time-and-a-half rates for night work, possibly that is it, but the contracts could be clarified at the time they are assigned.

We must of necessity speed up our highway work, both in southern Ontario and in northern Ontario.

One hon. member (Mr. Belisle) told me he had 6 mines close down, and 10 per cent. of his people out of work; they would be glad to go to work on the highways because up in the Nickel Belt they are experienced miners.

I would like to say again that we should have an international airport in Ontario. We are missing the boat by not having one. True, the Toronto airport is to be enlarged to take larger planes, but I have not heard as yet whether or not it is an international airport. Now every country in the world seemingly has an airline, even little Ethiopia has its own airline. Ireland has an airline. But in South America they have 10 airlines. I could not name them but they come up as far as Miami, and I believe one comes as far as Chicago. There is a plane going out of these airports to places such as Miami, Chicago, Honolulu every 3 minutes, one coming in and one going out. There are more people going from North America to South America than go to Europe.

Yet we have not one airline from South America coming into the province of Ontario, and it is the airlines which bring in the business men and the tourists and we are

missing this business, we are missing the boat so to speak, so I would like to stress again the importance of having an international airport. It is more important by far than a seaway port.

I would like to say a word also about the international trade fair. We had an international trade fair for some years after the war. The trade fair brought industry to this part of the country. We have industries now in London, Woodstock and Toronto which we would not have had had it not been for that trade fair, because trade fairs are the natural way in which Europeans sell their goods. They are not used to this modern way we have in the United States and Canada of advertising on the television, radio and in the newspapers.

They depend entirely upon trade fairs. Manufacturers circulate from one trade fair to the other in Europe. I have seen the one in London, I visited the one in Barcelona two years ago. The manager took me on a tour of inspection in a little electric car he had, and there were 26 miles of displays from all parts of the world. There was not a stick of anything from the Dominion of Canada, not one display.

In Montreal, they have a private trade fair and I hope that they have success. We could stand even two trade fairs in this Canada of ours.

Canada is spending \$3 million on one building for the Brussels trade fair in Belgium this year.

I believe there will be 25 million people passing through this building, so the money will not be wasted. But the point is we have not a trade fair of any description here in Canada.

Now, Mr. Speaker, I am coming to my final remarks. The culmination of my speech is, I believe, the most important part. It is that we have 400,000 people more or less unemployed in the Dominion of Canada. I read in the *Wall Street Journal* that when the unemployment figure in the United States—and it is 10 times the number in Canada, they have about 4 million unemployed now—when it becomes 5 million they will have a special session, and they will consider ways and means of cutting income taxes.

The cutting of income taxes is the fastest way to get money into circulation. We can plan for roads, we can plan for housing, we will have to go to "umpteen" planning boards and so forth, and if we build a bridge it takes time to draw up the plans, it takes so long to get these things rolling.

Of course, the cutting of income taxes is a very bad procedure. It should not be taken unless unemployment gets much worse than it is today, because when we cut income taxes we are budgeting for a deficit, and the hon. member for Riverdale (Mr. Macaulay) said we will have a deficit of \$100 million anyway this year. So, if we budgeted for a deficit we would have much more.

But would it not be better to budget for a deficit than to have more and more unemployment? I think it would, because it is not the fault of the worker that he is out of work, it is a government-made proposition. He played no part in this semi-recession. I do hope that it will be over by fall.

But how did it come about? There are many theories as to how this recession came about, but several years ago England, the people in England were buying far more from Europe and Canada than the country could afford. They had an adverse trade balance, and as England is an exporting country, of necessity she decided that they should have a tight-money policy and I believe rightly so.

Well, then the United States decided that inflation was the cry. The chief enemy of the United States is not Russia, they said, it is inflation, so they must stop inflation by a tight-money policy. So they have had a tight-money policy and the cost of living is higher than it was before due to increased rates in interest and so on, so the tight-money policy did not work in the United States. They have 4 million unemployed there.

For some reason or other, the Dominion of Canada decided that it would have to adopt the tight-money policy. We spoke of it in this House but it was like drops of rain, none of us were heard, so we have had a tight-money policy in Canada, and when they had a tight-money policy here they really had a tight one. They killed it as if they had killed a snake and now it is going to be a problem to get the money rolling again.

Although this legislative assembly plays a very minute part in world-wide finances, and although we get only 2 per cent. of income taxes, I think we may have to do something along this line in order to get the wheels of industry rolling to capacity again.

Most hon. members went to the north country on a trip last summer, and we were thrilled, we were enthralled with the expansion we saw there, the huge expansion of the paper mills. We saw the Elliot Lake ex-

pansion of uranium, and the lumber mills, the Geco Mine and the Wilroy Mine. We were thrilled with all those things.

But 6 months have gone by and what has happened? Ten per cent. of the people are out of work in northern Ontario. Now is it their fault they are out of work? It certainly is not. It is a government-made recession, and it is up to us as hon. members of this Legislature to do what we can to alleviate that.

I, for one, am sold on Ontario, I am sold on its future, we have hardly scratched its surface, but we need all the money we can get from foreign countries such as Switzerland, Germany and United States to keep it booming. We also need their brains, their educated people and their immigrants. So let us not sell Ontario short. We have a great country here.

'As Robert Louis Stevenson said, Ontario "is so full of a number of things, I am sure we should all be as happy as kings."

Mr. G. E. Jackson (London South): Mr. Speaker, in rising to take part in the debate on the speech from the Throne, I want to add my congratulations to those mentioned by the hon. member for Port Arthur (Mr. Wardrope), and the hon. member for Woodbine (Mr. Fishleigh), and in addition, I welcome the opportunity, Mr. Speaker, to congratulate you on your handling of the duties of the office which you hold, and for the fair and just manner in which you conduct the business of the House. It has certainly set a high precedent for any future Speakers.

I would, as is the custom, also like to congratulate the hon. mover of the speech from the Throne. I am sure that I will probably never hear another speech quite like that one, so full of truths, so moving, even if I am fortunate enough to sit in this House for many years.

May I also extend my congratulations to the hon. member for Glengarry (Mr. Guindon) on his seconding of the speech. I am sure if his speech was any indication of the man, we will be hearing more from him in the not too distant future.

In speaking today, Mr. Speaker, in this debate, there are two things I would like to discuss briefly, and I offer them probably as advice to the government. If by any stretch of the imagination these points appear to be criticism, I hope they will be accepted as constructive criticism. I am sure nobody likes to hear criticism for criticism's sake, and only too often it seems to me we hear that from the Opposition benches.

An hon. member: Oh, oh.

Mr. Jackson: I feel constructive criticism is welcomed by all, and I hope it is accepted in the manner in which it is given.

The first point with which I wish to deal is the situation which must be prevalent in centres other than in my riding or in the city of London. I know definitely that it is a problem in London.

Other centres where there are sanatoria must be aware of the coming difficulties that face the London Beck Memorial Sanatorium.

To illustrate to the hon. members of the House, Mr. Speaker, just how vital the subject is to the city, and to also point out part of the problem, I would like to quote a short excerpt from the *London Free Press* dated February 14, 1957, which refers to Victoria Hospital, which is a general hospital in London:

Victoria Hospital reached an all-time high in occupancy, 801 patients at midnight last night. Faced with this situation and a waiting list that extends into mid-March, trustee chairman J. Ronald Chapman and superintendent Dr. Kirk today said they would ask trustees to send a delegation to Toronto to try and persuade the health Minister that empty beds at Beck Memorial Sanatorium should be used for convalescent purposes.

The problem is one, hon. members can readily see, of empty beds, and in the case of the Memorial Sanatorium in London, increasing financial deficits.

Now the reason for the empty beds at the sanatorium is not only because of the falling incidence of tuberculosis, but because of early detection and also because of advanced techniques in treatment. Greater numbers of people are recovering in shorter periods of time.

Now this is most commendable, and those responsible for this situation should be the recipients of the very highest praise. Here is a disease which a few years ago was of great concern to the medical profession and a great worry to the population as a group. Today we find empty beds in our sanatoria, not only in the Beck Memorial Sanatorium but in the following, to name but a few.

These figures are those of December, 1957: Brantford, 30 empty beds or 24 per cent. vacancy; Fort William, 103 empty beds with 31.4 per cent. vacancy; Gravenhurst, 164 empty beds with 41 per cent. vacancy; Hamilton, 264 beds, 36 per cent. vacancy; 29 empty beds, 18 per cent. vacant; Windsor,

41 vacant beds, 20 per cent. vacancy; and London, 228 beds, 42 per cent. vacancy. There are in the province 1,013 vacant beds or a vacancy of 24.5 per cent. in our sanatoria.

Surely, Mr. Speaker, this is proof that the disease is on the decline, in fact medical advisors believe that the bed occupancy will continue to fall.

I draw it to the attention of the House because it is a problem which requires an immediate solution. The problem is growing worse and is going to continue to grow worse.

Now what about the deficits that I spoke about earlier, particularly those suffered by the Beck Memorial Sanatorium?

I believe hospitals should neither make a profit nor show a deficit in providing their services. If they broke even, of course, this would be ideal. The government was well aware of this, I think, when they set up the grant system when all sanatoria were full and even had waiting lists. The provincial grant, based on average cost of all sanatoria, was equitable.

Now, however, when the percentage of occupancy varies greatly, those sanatoria which are full are still receiving fairly adequate grants, but the institutions with low bed occupancy are being penalized.

I might briefly explain here, Mr. Speaker, for the benefit of the House, my understanding of how these grants work. For purposes of grants, patient bed-days, empty beds, laboratory, dentistry and surgical services are broken down into units, and a rate is affixed to those units so that the amount paid per unit is equitable to all hospitals.

Now, one of the catches seems to be, of course, that there is a difference between what is paid per unit to a general hospital and what is paid per unit to a sanatorium.

Perhaps to illustrate more clearly, let us assume there is certain dental work to be required, the government supplies the sanatorium with the lists showing the amount of work equal to so many units. When this list of what units are worth is compiled, it is on this basis that the grants are paid.

Now regarding Beck Memorial Sanatorium, and I think this may be true of many other sanatoria in the province, the preliminary statement showed that its overhead, broken down into units, consisted of 198,608 units, for which the rate is in this particular case—and I assume it is probably the same throughout the province—\$1.47½ per unit. This equals \$292,774.

I think this is what they would have received had all the beds conceivably been empty, and no services carried on.

However, for ward care they had 121,898 units of patient bed-days and received \$4.25½ cents per bed, which equalled \$518,645. Now these added together plus the grants on a unit basis for laboratory, dentistry and surgical care amounted to \$902,921.

The standard expense for which the province is responsible, which is the standard per capita expense multiplied by the collective days' stay of patients for whom the province is responsible, equals \$660,000.

From this of course we can deduct 50 per cent. of the revenue made or received from the patients. Then we add to the grant the amount received from workmen's compensations, department of veterans' affairs, the armed services, Indian services and others, and we have a total in-patient revenue of \$904,984.

Now what is the in-patient expense for that period? It is \$954,289 or a loss on in-patients alone of \$49,804.

Now in case any hon. member is of the opinion that the hospital is not efficiently run, which is one of the thoughts which passed across my mind, I would point out that part of active treatment and convalescent treatment of tuberculosis patients is a good, well-balanced food diet. This hospital, to show how efficiently it is run, supplies 3 meals a day, bearing that in mind, at the cost of \$1.11 per patient per day.

This loss on in-patients alone is a significant figure. If I took out-patients into consideration plus building depreciation, the figure would be some \$80,000 for the year 1957, even when we include the amount bequeathed by wills and gifts by donors.

It really means this, that the Beck Memorial Sanatorium in London is losing 41 cents per patient a day. Now this, I respectfully suggest, is not good.

I would like to put forward a suggestion. I read to hon. members the account in the *London Free Press* pointing out that we have a crowded hospital, and vacant beds in another hospital. I am sure that if this situation does not exist in other sanatoria, it is rapidly approaching.

My suggestion is this, that since the problem is one of empty beds in sanatoria and full capacity in general hospitals, perhaps some of the patients could be moved.

Now I do not mean that we should move patients "willy-nilly." I mean they should be moved with the thought in mind to consider

what they are suffering from. My suggestion as to the financial deficits is this: Would it not be possible to pay the same grant for this year, at least of \$4.25½, which was apparently equitable when the hospital was full, and which is presently being paid by the government for full beds? Now this, by the way, compares with \$8.17 a day paid by government agencies for patients of DVA, Indian services, army, navy, air force and so on, so I think my suggestion is not too far out of line.

Secondly, I would suggest that the Beck Memorial Sanatorium be made into a chest hospital. I realize that this may be the first one of its kind in Ontario, but this should not deter us from investigating the feasibility of this suggestion.

If all patients in the city, and those chronic cases in the 7 counties which this sanatorium services, who are suffering from any—and I stress the word any—chest ailments such as bronchitis, asthma and even pneumonia, were put under the very excellent specialists' care that is available in Beck Memorial Sanatorium, it would have the tendency to alleviate the crowded conditions, I am sure, in the general hospital. It would also raise the bed occupancy in the sanatorium and would, in effect, have a tendency to at least lessen the deficit.

This would have the effect of increasing the grant earned, which is the \$4.25½ as I pointed out earlier, and I do want to stress, Mr. Speaker, the urgency of this situation. How long can we honestly expect an organization to hold together, such as the London health association which administers the sanatorium, when it is losing almost \$50,000 a year on its in-patient expenses over revenue, and upwards to \$80,000 when all factors are taken into account?

The second thing I wish to draw briefly to the attention of the House is the subject that was raised yesterday by the hon. member for High Park (Mr. Cowling) and the hon. member for Bruce (Mr. Whicher). That is the subject of compulsory automobile insurance.

I wish to say at the outset that I agree whole-heartedly with the hon. member for High Park in the remarks he made, that care and caution should be taken into account before any step is taken to make automobile insurance compulsory.

Now, I imagine that all hon. members heard his excellent address yesterday. He stressed all the points that I wish to stress, with the exception that I would like to point out to the hon. member for Bruce that, while he was very flattering in his statement that

I was probably worth more than \$10,000 in the event of my death, I think he touched unknowingly on one of the problems there is in setting limits or deciding how much one person is worth.

What is the correct amount to compensate for the death of an individual? While the hon. member for Bruce may feel that \$10,000 for one person, or \$20,000 for more than one person, is not enough, which is the way it presently stands, where would we draw the limit?

Perhaps he has forgotten one of two things, the first being the question of what is a fair settlement, and secondly, that merely raising the limits is not an answer.

Juries are comprised of people from the province and if compulsory insurance were in effect, what would happen? They would recognize that everybody is insured and that the awards would just go higher. That has been proven in other jurisdictions.

I think the main problem with the unsatisfied judgment fund, to which we now look for settlement if we are innocent victims involved in an accident, is the slowness with which settlements are paid. This is quite natural of course when we realize the functions of the unsatisfied judgment fund, and when we realize that the financial background of the accused person has to be studied and assessed before application can be made to the fund. This is a problem with all such unsatisfied judgment funds, and if we try to speed up settlement, it is not only dangerous but in many cases it allows the person, who should be made to pay for awards made in the court, "off the hook" so to speak. It leaves the payment on the doorstep of an unsatisfied judgment fund.

I am sure the hon. members will agree that the main problem here, as I see it, is the question of protecting the innocent victim who carries insurance from being uncompensated after being involved in an accident by a financially irresponsible person.

To this end I would point out that there might be another way in which to tackle the problem. With hospitalization coming into force, it is conceivable that we could look after the immediate hospital bills of such an innocent victim. I also point out that in the state of Michigan, where this problem was tackled in a different manner, they actually look after the damages of the automobile, I understand, compensating the innocent victim for his immediate expense. Now he is alleviated there from immediate expense.

I think then, the individual or the innocent victim has his normal recourse to go through the courts to seek further judgment or further settlement. But his immediate financial problems such as hospitalization, and damage to his automobile, are taken care of.

Unfortunately, I have not received from the state of Michigan, as yet, the full details of the plan although I have written to them, and I would like to speak on this matter again, should the occasion arise.

Mr. W. B. Lewis (York Humber): Mr. Speaker, it is a pleasure to be afforded the privilege of addressing you, sir, and pronouncing my confidence in the fair, impartial manner in which you administer your important office of this government, in this the fourth session of the twenty-fifth Legislature of this province.

As is my custom, I will be brief in order that we may expedite as quickly as possible the agenda of legislation of this session. The new hon. members of this House may be interested to receive a geographical introduction of the riding I represent.

York Humber is a riding in Metropolitan Toronto bordered on all sides by sister municipalities of this now famous union. Although hon. members can drive from one end of the riding to the other in 20 minutes, it has a population of approximately 60,000 people, and embraces all or part of 5 municipalities, namely Mimico, Etobicoke, Swansea, York Township and Weston.

And now, Mr. Speaker, having outlined to you the location and population of York Humber, I might reiterate that it is part of Metropolitan Toronto. I should like to speak briefly of that great metropolis.

Metropolitan Toronto today is a federation of 13 municipalities composed of 3 villages, 4 towns, 5 townships, and 1 city. Its population is 1.25 million, and is increasing at the rate of 50,000 people per year. Its total assessment is over \$2.5 billion, which is increasing at the rate of \$100 million per year.

This metropolis is an irresistible magnet. It is where big business is located; year after year it has drawn toward it the restless, the energetic, the ambitious and the young men and women who want to be at the centre of things, where opportunity may be just around the corner.

The movement of hundreds of thousands of people to the suburbs of Metro is one of the many phenomena which have occurred during our generation. It is one of the major changes of our times, and is designed to

affect the way of life of a large segment of the population.

There is one thing of which we can be sure, that is that our population will be 2 million in 20 years if not in less time.

I do not say or imply that cities are good or bad merely because they are of a size or otherwise, but what I do say is that, when cities reach a population of 1 million, they acquire a momentum of their own which no one can stop. And may I add that we had better get ready to serve its population and its interests.

Because of that statement, hon. members might conclude that I imply Metropolitan Toronto is not getting its fair share of provincial assistance. Nothing could be further from the truth, Mr. Speaker. Those of us who take the time to analyze the huge expenditures for highways, education, welfare, hospitals, homes for the aged, and so on, can quickly appreciate the assistance the province gives to all of these projects which in the end makes them possible.

But with a municipal giant such as Metro, new problems of necessity occur almost daily and when assistance is requested under a new heading such as subways, we have a tendency to brush it off as being beyond the pale of our responsibilities.

At times, we do so with good and just cause. But if we stop to consider that an investment now on a project can save us millions of dollars later on, on other projects such as highways, then probably we should take another look at it.

The expenditures we are making are not expenditures, they are sane and sensible investments in the capital equipment that this area needs to service its rapidly expanding industrial, commercial and residential development.

Mr. Speaker, at this time I would like to record my appreciation of the great effort of the hon. Attorney-General (Mr. Roberts), and the hon. Minister of Highways (Mr. Allan), in endeavouring to reduce highway fatalities in this province. But as the well-known character in television uses the phrase, "It is greater than both of us." I believe that expression is apropos of this situation, because if our drive in the reduction of highway fatalities is going to have a marked effect, then it is going to take the combined efforts of every hon. member of this House.

As of January last, all rates for automobile insurance were increased again. These rate increases were caused by higher losses brought about by an increase in accidents,

higher repair costs, and greater values in new cars. This increase was greatest for a male driver under the age of 25 with either the assured or an occasional driver named on a policy.

If the assured or male driver under the age of 25 had been involved in an accident within the 3 years previous, the rates were proportionately higher.

Take as an example, a medium-priced car in a Metropolitan Toronto district, with basic limits of liability only, amounting to \$10,000 or \$20,000 for bodily injury, and \$5,000 for property damage. For a car being used for pleasure only, no accidents and no male drivers under the age of 25, the annual cost is \$32.

Now, take the same car under the same conditions, but with a male driver under the age of 25. The cost is not \$32 but \$54. That is an increase of 68.75 per cent. for the privilege—or penalty as the case may be—of being under the age of 25 and driving an automobile.

Why is this? It has been proved by the insurance companies that accidents caused by this group are several times that of the parent age group. When young men are involved in accidents, Mr. Speaker, they "do it up brown," and in most of them there is no one to blame but themselves. While older drivers die in car collisions, the young men seem to go in for solo accidents, turning their cars over while speeding or crashing into trees or solid obstacles.

Now, what has been done about this terrible toll which is bound to become worse if something is not done about it?

Well, a few insurance companies provide a rate reduction of as much as 15 per cent. to male drivers in that age group who are graduates of recognized driver-training programmes in secondary schools in this province.

Now, what are we going to do about this situation? At the present time there are approximately 380 secondary schools in this province, and of this number driver-education programmes are conducted in approximately 23. These 23 schools are located in only 16 of our municipalities of all sizes. Why is this figure so small?

The reason is because our government to date, The Department of Education, makes it optional to all school boards as to whether or not they provide driver-education programmes in our schools.

We must see to it that driver-education programmes are included in all secondary schools, and we must be prepared to assist the school boards to finance this operation.

Hon. members may have read recently about a newly-elected school board chairman who has indicated that he proposes more home work, more discipline and less extras, such as driver-education, for students who do not obtain grades of a certain standing.

Mr. Speaker, I personally think that this chairman is entirely wrong in instituting this sort of penalty when we know all students are not high-school material, much as we would like them to be, and as such they will not complete their secondary schooling. When they leave school to go into the business world, many of these students will find their futures in driving cars and trucks. Would it not be better if they entered this new life properly trained and qualified in a safe and sane manner?

Let me tell hon. members of the record of the city of Kitchener, that has been operating a driver-training programme in their secondary schools since 1949. There have been 950 graduates in the driver-training programme, and an accurate check has been kept by the local police, and we find, of 950 graduates, only 22 have been guilty of traffic violations, and of this number only 3 were involved in minor property damage accidents. Two pupils guilty of more than one traffic violation were sent to the local traffic clinic, and their conduct is under the careful scrutiny of officials at all times.

Experienced authorities on the subject of driver-training all recommend that this subject be administered and handled by The Department of Education.

In the state of Michigan, a driver-education law was amended as of February 1, 1957, and in part, reads as follows:

Beginning February 1, 1957, the completion of a course in driver education is a requirement of an application for an operator's licence by all persons under the age of 18.

The state of Michigan, along with over half of the states in the union, realize the need, and I suggest we should, too. Our success in dealing with young driver problems will be in direct proportion to the effort that we are willing to put into it.

In coping with attitudes, we are faced with the prospect of dealing exclusively with intangibles, and that makes it both difficult and, if we fall prey to it, discouraging.

With intangibles, it is inevitable that we may at times feel that the results are equally intangible, possibly even non-existent. Actually, however, the results can be as tangible as the very hands, arms and legs of hon.

members', or my own, sons or daughters. For it could be a son's or daughter's life that is saved by striking now at a high teen-age traffic fatality incidence.

Obviously, the surest method of dealing with this problem is through extensive education. Inexperience can be overcome by supervised practice behind the wheel, and immaturity can be conquered by educating young drivers to the heavy responsibility which goes with a driver's licence. Both, as we see, boil down to education, pure and simple.

If we dilly-dally, leaving this education to the teen-ager's father, family friend or someone from around the corner, however, we are not much better off than we were before. It is common knowledge that mere know-how does not make one a good teacher. A person may be an excellent driver, but has an hon. member the confidence to say that he is capable of teaching his son or daughter everything one should know about automobiles? Can the hon. member tell him or her all the provincial and city laws governing the use of cars? Can he explain the mechanics of the car thoroughly enough to impress on the pupil its power and potential destructfulness? Above all, does he have the time and the infinite patience that all of this requires?

Automobiles these days are so complex and powerful that a full understanding of them requires more study and guidance than ever before in history. The job is too big and important now for anything but a systematic approach through regular high school and preparatory schools. This move to include driver-training and education in the curriculum of established high schools got underway slowly, a little over a decade ago, but has picked up gratifying momentum since then. At present, the national safety council of the United States estimates that some 20,000 secondary schools have some form of driver-education and training programmes.

This is a far cry from a few years ago, when such courses were looked upon with feelings ranging all the way from misgivings to downright scorn. As young as they are, high school driver training programmes have proved that students having completed such courses have from 40 to 60 per cent. fewer accidents. They are involved in fewer violations, and the accidents are less serious.

If a programme such as this were effected among all teen agers throughout the province, it could mean a saving of from 2,000

to 4,000 lives a year in the 15 to 24 age group alone. It could mean a saving of lives in the ranks of other drivers who might be involved in accidents with them.

In any consideration of youthful drivers and accidents, we must also bear in mind that as a driver grows older, the good or bad habits that he has acquired grows with him. It is up to us to see that he carries the good ones.

Behind this lies one of the reasons for our high accident death rate. Too many drivers on the road today just took up driving, and their deficiencies increased as they became older. How many drivers, for instance, in the 30 to 40 year class, have accidents today the cause for which can be traced back 10 or 20 years to something they failed to learn or learned incorrectly? It is a moot question, of course, but it could account for a goodly share of our present highway deaths.

One-third of the United States population drive motor vehicles, and every day more than 25,000 drivers are involved in traffic accidents that kill an average of nearly 100 people a day, that injure thousands, and contribute to a staggering property loss. In this instance, I am using the figures from the United States, as the ones in Canada are not available, and it is my feeling that there is such a close similarity between actual circumstances that they may be applied to the figures in Ontario without prejudice.

I think that a proper driver-education and training programme in every high school in the province would knock this figure down, farther than perhaps is now apparent. Educating our annual crop of would-be drivers can, over a period of years, change the whole complexion of our accident-ridden traffic movement.

The question then is not "does driver training pay?", but rather, "what are we waiting for?"

In closing, Mr. Speaker, the automobile rates were quoted by the Canadian underwriters association. The board of education chairman referred to was the board of education chairman of North York in Metropolitan Toronto, the authority on driver-training was the American automobile association, and the Kitchener figures were supplied by the Kitchener board of education and the city of Kitchener police.

Mr. J. Root (Wellington-Dufferin): Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, if any of the hon. members would prefer to have any of these bills held over, we will do so. These matters all go to the committee on education, and perhaps it might be agreed that they be advanced.

THE TEACHERS' SUPERANNUATION ACT

Hon. Mr. Frost, in the absence of Mr. Dunlop, moves second reading of Bill No. 73, "An Act to amend The Teachers' Superannuation Act."

Motion agreed to; second reading of the bill.

THE SECONDARY SCHOOLS AND BOARDS OF EDUCATION ACT, 1954

Hon. Mr. Frost moves second reading of Bill No. 80, "An Act to amend The Secondary Schools and Boards of Education Act, 1954."

Motion agreed to; second reading of the bill.

THE PUBLIC SCHOOLS ACT

Hon. Mr. Frost moves second reading of Bill No. 81, "An Act to amend The Public Schools Act."

Motion agreed to; second reading of the bill.

THE SEPARATE SCHOOLS ACT

Hon. Mr. Frost moves second reading of Bill No. 82, "An Act to amend The Separate Schools Act."

Motion agreed to; second reading of the bill.

THE TOURIST ESTABLISHMENTS ACT

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, I wish you would leave this over if you would. Are they going to send this to the committee?

Hon. Mr. Frost: Yes. There will be an explanation of the bill, and it will go to the committee on travel and publicity.

Hon. B. L. Cathcart (Minister of Travel and Publicity): Our committee meeting is called for March 4, if I might say that.

Hon. Mr. Frost: The hon. Minister might say that.

Hon. Mr. Cathcart moves second reading of Bill No. 76, "An Act to amend The Tourist Establishments Act."

He said: Mr. Speaker, may I take a moment to enlarge on what I said in the first reading of the bill, when I gave a short explanation for the reason for this amendment?

Over the years, I have had the responsibility of not only inspecting but licencing the many establishments that provide accommodation in one way or another across this province, with the exception of those that are under The Liquor Control Board. We have always inspected the outfitters but we did not licence them. It was felt by both my staff and myself that it left the outfitters in a confused state of mind as to who was supervising them, and as a result we have had some complaints from those who operate tourist outfitters camps.

Over the years, and particularly in the last few years, our outfitters camps are gradually becoming what we might consider to be tourist resort operations. In the early days, I think maybe we could go so far as to say that the tourist outfitters were the originators of our tourist business, people went fishing and hunting and went to the camp where the facilities were average for a man or a stag party and so on.

Today, if one stops over at an outfitters camp, generally speaking he will find pretty fine accommodation there. The place will be heated and have the facilities which make for comfort and convenience.

The tourist outfitters themselves do agree with me, when I talk to them, that they are becoming tourist resort operators as well as outfitters. Of course they supply and do provide the facilities that one looks for when one spends a week or two at a tourist outfitters camp. There was some thought given to this amendment, and as a matter of fact, some of the tourist outfitters at their convention, and previous to that, questioned whether we should bring this amendment in and give the licencing, as well as the inspection, over to my department.

However, I have talked with a number of them, in fact a delegation of them came down from North Bay after their convention the other day. We spent some time discussing the matter. Their concern was mostly whether my department, in taking over the licencing as well as the inspection, is going to remove them entirely from the jurisdiction of The Department of Lands and Forests in regard to the zoning and the location of new

outfitters camps. They were concerned about that, but I assured them that it was only a matter of bringing the inspecting and the licencing over to my department, so that they would know to which department they are responsible when it comes to providing proper accommodation in relation to health and other things.

I have talked to the hon. Minister of Lands and Forests (Mr. Mapledoram), and he realizes that he must keep within his domain the responsibility of location. Today, when we inspect and licence, no matter what the accommodation may be, we do not grant that licence until we have been in touch with The Department of Highways, The Department of Health, The Department of Lands and Forests, and any other department that might be concerned about the location of a resort operation or a tourist outfitters camp or whatever it may be.

We do this because The Department of Highways will be interested in the location if it happens to be close to a highway; The Department of Health in relation to the health facilities, and so on.

This means that our responsibility is to check and inspect that facility, and see that it is up to our standards as outlined in the Act, and then get in touch with the different departments and receive their approval before we grant the licence.

I do not know whether there is anything further I can add to that particular matter, except to again say that the president and the ex-president and a couple of other men were sent down from the outfitters convention to confer with me, and met with the hon. Minister of Lands and Forests as well, and we discussed the matter very fully and they went away quite happy and content.

Mr. Oliver: Mr. Speaker, so far as bringing the licencing under the department of the hon. Minister is concerned, I think that has much to be commended. I see nothing that one should argue about very much in that particular transfer. It seems to me it will make for better administration of the department.

My attention, Mr. Speaker, is drawn to the explanatory note, and I want the hon. Minister to tell me what is meant by the last two lines which say: "to authorize the regulation of tourist establishments licenced under The Liquor Licence Act when the need arises."

Now, will the hon. Minister suggest that this is simply a transfer of powers presently existing, or is there an extension of any kind

in relation to The Liquor Licence Act having to do with the tourist establishments?

Hon. Mr. Cathcart: In the case of a licence where The Liquor Control Act is in force, a place may lose its licence as a result of infraction of the law, and we do not want that particular establishment closed just simply because it has not a licence to serve the beverages. In that case, we are in a position where we will take on the licencing of that particular facility.

Mr. Oliver: The significant thing, as far as I am concerned, Mr. Speaker, is that in the explanatory note it says that the purpose of the bill is to include in The Tourist Establishment Act provisions relating to the licencing of tourist outfitters which are now contained in, and which will be deleted from, The Game and Fisheries Act.

Then it goes on to say—and it seems to me either a new power or a new definition of the power, it goes on to say—"to authorize the regulation of tourist establishments licenced under The Liquor Licence Act where the need arises." Now, I do not know whether it is clear from the hon. Minister's remarks if this is giving the department additional powers to those which were vested in another department previously. Does it give the power of extension of privileges beyond what they presently are, or what is the situation?

Hon. Mr. Cathcart: Mr. Speaker, in the past we have run into some difficulty where a licence has been—we do not touch the place which is licenced by the liquor control board at all, that is entirely their responsibility. But where the licence has been cancelled, we have run into some difficulty in granting a licence to that place. It might be providing the best accommodation in the world, but for some reason or another it has lost its liquor licence, and they close the place, and as I understand it, this is included to take care of that situation should it happen.

Mr. Oliver: The hon. Minister says that his department does not deal with licences that are issued by the liquor licencing board. I would not expect him to. But then he goes on to say something about his department granting licences; have we gone that far, have we given his department the right to grant licences?

Hon. Mr. Frost: May I say that I asked the law clerks about that point, and if the question of the hon. leader of the Opposition is directed to this, "Would The Department of

Travel and Publicity have the powers to grant a liquor licence?", the answer is "no".

I think the point arose this way, that an establishment may be licenced under The Liquor Control Act, but nevertheless its regulation as a tourist establishment is required under this Act.

One of the purposes of this bill is to take at least one step in getting rid of some of the complications we have in applicants and operators obtaining licences where they have to deal with several departments.

I can give a case in point which is in relation to certain of our new municipalities, our improvement areas. I would say that this is hardly relevant to this bill in a way, but nevertheless I think the example applies. Let us say that an improvement area has to deal with The Department of Planning and Development and then with The Department of Municipal Affairs, The Department of Education, and The Department of Health. The council or the boards operating such an improvement area are sometimes driven to desperation.

Now to meet that, we appointed Mr. Carter in The Department of Municipal Affairs as sort of co-ordinator.

I would say that much the same thing applies here. Where the tourist operators are dealing with several departments, it was felt that it would simplify matters if we had, in The Department of Travel and Publicity, a branch where they could deal with the subject that these people were concerned with.

Now that, of course, has nothing to do with the issuing or the requirements of the operation of the liquor licence, that is under the liquor licence board, and I do not think it would be wise to take it away from them.

I think the hon. leader of the Opposition has asked a very pertinent and good question there, and I would like to have that matter thoroughly explored in committee to see what the actual situation is, and the law clerks can explain it.

Mr. D. C. MacDonald (York South): There is still one point of it that I have not got sorted out in my mind. The hon. Minister stated, on at least two occasions, that there has been a few instances in which liquor licences were lost, and it became necessary to licence the establishment under this outfitters' Act. Now, if they were eligible as an outfitters' establishment, why were they not licenced in any case before they lost the liquor licence? I mean why did this department have to come in after they lost the liquor licence? It just does not add up to me.

Hon. Mr. Frost: Well, I would think that they were licenced also.

Mr. MacDonald: If the tourist outfitter already had an outfitter's licence, he would not have to get another outfitter's licence because he lost his liquor licence.

Motion agreed to; second reading of the bill.

Hon. Mr. Frost: Mr. Speaker, I see it is 6 o'clock, and I think perhaps at this stage I might move the adjournment of the House. We will proceed tomorrow with the Throne debate and such bills as we might possibly consider.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.00 of the clock p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Wednesday, February 19, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, FEBRUARY 19, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions:

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Motions.

Introduction of bills.

QUEEN'S UNIVERSITY AT KINGSTON

Mr. W. J. Stewart moves first reading of bill intituled, "An Act respecting Queen's University at Kingston."

Motion agreed to; first reading of the bill.

THE FARM PRODUCTS MARKETING ACT

Mr. R. Whicher moves first reading of bill intituled, "An Act to amend The Farm Products Marketing Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, I would like to explain this bill. This bill will permit the farm products marketing board to recommend the establishment, amendment or approval of the scheme where 60 per cent. of those voting, vote in favour. At present the percentage is left to be fixed by regulation, and where the vote is to establish a scheme, a prescribed percentage of all those eligible to vote, whether actually voting or not, is required. There is no change in the provision for a vote to revoke a scheme initiated by producers. This is simply what the Ontario Federation of Agriculture have asked in all their briefs.

THE WORKMEN'S COMPENSATION ACT

Hon. C. Daley moves first reading of bill intituled, "An Act to amend The Workmen's Compensation Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, at the present time all public hospitals are under The Workmen's Compensation Act, schedule 1, also the 4 municipally owned hospitals. But there is a question as to the legality of that, and this is just simply to clear up and legalize something that is presently being done.

Another section is to insure that assessments under the Act will be paid where timber is cut under a Crown licence by a person other than a licensee.

The amendment to section 3 increases the allowance for burial expenses of a deceased workman from \$200 to \$300, and amendments to subsections 2 and 3 increase from \$200 to \$300 the lump sum that is payable immediately upon the death of a workman to his widow.

Regarding section 4, the only principle in this provision is the right of compensation in the circumstances described.

CITY OF BELLEVILLE

Mr. W. Sandercock moves first reading of bill intituled, "An Act respecting the city of Belleville."

Motion agreed to; first reading of the bill.

THE LABOUR RELATIONS ACT

Hon. Mr. Daley moves first reading of bill intituled, "An Act to amend The Labour Relations Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the first amendment will enable the hon. Minister, upon a request to him for the appointment of an arbitrator, to refer to the labour relations board, for determination, the question as to whether a collective agreement is in existence.

Amendments to sections 2, 3 and 4 are designed to provide greater stability in industry by giving greater protection to long-term collective agreements. The other section is just to correct a typographical error.

ONTARIO DIETETIC ASSOCIATION

Mr. H. L. Rowntree moves first reading of bill intituled, "An Act respecting the Ontario Dietetic Association."

Motion agreed to; first reading of the bill.

THE MINING ACT

Hon. J. W. Spooner moves first reading of bill intituled, "An Act to amend The Mining Act."

Motion agreed to; first reading of the bill.

He said: On section 1, these amendments will allow the engineer to require unworked mines to be protected by means other than fencing as a public safety measure.

Regarding section 2, subsection 1—in the interest of safety, the requirement for temperature indicators on air compressors are increased.

The amendment to subsection 2 of the same section will provide a safeguard against the inadvertent release of a hoist brake.

On section 3, this amendment will permit the changing of balance of shaft conveyances carrying men on the fixed or clutched-in drum while shaft sinking, inspection or maintenance work is going on.

Section 3 of the bill also provides that certified copies of what is known as "party wall" agreements should be filed with the department when the party wall agreements are registered in the department.

THE SURVEY ACT, 1958

Hon. C. E. Mapledoram moves first reading of bill intituled, "The Survey Act, 1958."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the laws governing surveys in Ontario are as old as its history. The first revision of these laws was made in 1849, and the most recent in 1920. Three different systems of surveying townships were in use before 1829; since that time, 3 other systems have been followed.

The 1920 Act, which is in force at the present time, did not deal separately with each of these 6 systems, with the result that difficulties were experienced in determining the proper method to be followed in any particular system.

This bill, which has been carried over a period of years by the Association of Land Surveyors and the surveyor-general, does not

change the basic principle of the present Act, but extends these principles and deals with each system separately and completely, even though this results in some repetition.

It is felt that this method will make the Act more readily understandable, bringing about greater certainty in survey practices and reducing the work of surveys.

The bill provides another feature which is felt will be of real assistance to practicing surveyors. Regulations will be made illustrating and complementing, by words and sketches, the many difficult and highly-technical procedures set out in the Act.

THE DIVISION COURTS ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to amend The Division Courts Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, there are just two minor amendments in this bill which I think can be spoken to on second reading. They involve changes in the wording, but no change in policy.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1. Report of the Ontario-St. Lawrence development commission for the period ended December 31, 1957.

2. Annual report of the Ontario research foundation for the calendar year 1956.

Mr. Speaker: Orders of the day.

Mr. R. Whicher: (Bruce): Mr. Speaker, before the orders of the day, there is a question that I would like to ask the hon. Minister of Municipal Affairs (Mr. Warrender) arising out of the debate which was held in this House last Monday.

In view of the fact that the hon. Minister stated last Monday in this House that his worship Mayor Phillips of Toronto was delighted with the \$5 million provincial relief programme, and that 1,500 men would be hired by Wednesday or Thursday: Would the hon. Minister inform the hon. members how many men have been employed and if his worship Mayor Phillips is still delighted?

The reason that I ask that question, Mr. Speaker, is because of the headlines in today's Toronto *Daily Star* which simply say: WOULD BOOST TAXES, BRAND. FROST PLAN BAD.

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, I am afraid I cannot give the hon. member much informa-

tion at this time by reason of the fact I do not have the information at hand.

However, I can say this, that his worship Mayor Phillips has written a letter to the hon. Prime Minister expressing the appreciation of the entire board of control of the city of Toronto for the assistance to be given to Toronto.

I can also say to the hon. member that I am meeting with the mayor and the board of control tomorrow morning to go over their proposed plan, and when I have gone over that I shall be pleased to bring in the results, as to how many men it will mean will be employed, and also the question as to his delight.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, I wonder if the hon. Minister would permit a question at this time?

Whatever agreement or arrangement he comes to with the board of control and with his worship Mayor Phillips of Toronto, will he extend the same privileges to the other municipalities of the province of Ontario?

Hon. Mr. Warrender: Well, I would say, Mr. Speaker, that if the principles set out by the mayor and board of control are acceptable to The Department of Municipal Affairs and the government, the same principles would apply right across the board.

Mr. D. C. MacDonald (York South): What about the mayor of Hamilton? He was not very happy either.

Hon. Mr. Warrender: The mayor of Hamilton was in touch with me by telephone and I also saw a representative group from Hamilton yesterday, and it is true they did come down expecting they would get a lump sum which might be used for capital purposes.

When it was explained that the purpose of this money being set aside was to relieve the unemployment situation, they expressed approval and are now going at it to use their ingenuity to bring different ideas which will have the effect of putting a great many unemployed to work in Hamilton.

Mr. Whicher: It will take a great deal of ingenuity to use that plan, Mr. Speaker.

Hon. A. K. Roberts (Attorney-General): When the hon Prime Minister announced this plan in the first place, he made it abundantly clear that this was a plan to meet an emergency, and that the primary group to be considered was the group who were employable but not presently employed and who

were not in a position for various reasons to draw unemployment insurance.

Now, it happens in the case of the city of Toronto that by reason of agreements with local unions Nos. 43 and 45—particularly 43 in this case, which is chiefly the employees who are on outside work—that under that agreement the city is called upon, when people have been laid off who were members of that union, when work is available, to make the first call back to those people.

Now that is probably a very reasonable and sensible arrangement between employer and employee in ordinary circumstances, but is one of the problems which will have to be discussed and looked at.

The hon. member should see at once that would not have the effect of bringing in, to work, people who are unemployed and not drawing unemployment insurance in that particular group until those who are drawing unemployment insurance who are members of the city union have been re-employed, so in that respect it is a problem which is local in its character.

Mr. Whicher: What the hon. Attorney-General has said is quite true, but he did not say it was going to cost the municipalities about \$10 for every \$1 this government puts up.

Hon. Mr. Roberts: That of course is completely and utterly irresponsible talk. It happens that there are 150 people involved in Union No. 43, and the hon. member himself, in his question, is talking about 1,000 or 1,500, so his answer in that respect is completely irresponsible.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, I can hardly let the statement of the hon. Attorney-General go. I do not think it is correct to say it is completely irresponsible, when one says that, in order to get \$1 from the government under this plan, the municipality can reasonably be expected to have to pay \$10. Now that is not irresponsible, and the hon. Attorney-General will find as he moves forward on the plan that it is a rather conservative figure.

By the time the municipality supplies the engineering work required, the materials necessary, and all that goes into this project, if they spend less than \$10 for every \$1 they get from the government, they will be lucky, so it is not an irresponsible statement.

Hon. Mr. Roberts: I think the facts will be clear in due course. I leave it to common-sense discussions to accomplish and work

out the details, but the fact of the matter, in the question put by the hon. member for Bruce, is that there are people who are entitled under contractual agreements to be brought back on the payrolls before others can be taken on.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I was rather surprised at the hon. member for Oshawa (Mr. Thomas) asking that question about whether this would apply to all the municipalities in the province. He has been an hon. member in the House a long time and is a reasonable man. I have never had any trouble getting along with him, he or his municipality, at all.

But he knows that this government's policy is not to make fish of one and flesh of another. This is the people's government, they look after all the people.

Mr. J. Yaremko (Bellwoods): Mr. Speaker, I notice the hon. member for Bruce is accustomed to reading headlines. He should read the stories that appear in the newspapers. If he would read the *Toronto Telegram* of this afternoon, he will see that there is a memorandum that the works committee of the city of Toronto has prepared a list of works to cost a total of \$1.6 million, of which they expect to recover the sum of \$1 million from the province of Ontario.

Mr. Thomas: Mr. Speaker, I want to say "thank you" to the hon. Minister (Mr. Dunbar) for that remark of his that I am a reasonable man. But the reason I ask that question is this—on this side we are a little suspicious, because they did elect only Conservative members to the committee to study the Metropolitan area, that is why I asked the question.

Mr. Speaker: Before the orders of the day, I would like to welcome to the assembly this afternoon pupils from Edithvale Public School, Willowdale, and also from Earl Grey Public School in the city of Toronto.

Orders of the day.

SPEECH FROM THE THRONE

Mr. H. E. Beckett (York East): Mr. Speaker, it gives me much pleasure to pay my humble respects to you and to congratulate you for the efficient and fair manner in which you conduct the office of Speaker, and I certainly admire the dignity which you give to it.

The speech from the Throne had some reference to the question of unemployment,

and I would like to speak for a few minutes on this subject and to suggest how it might be eased, and, at the same time, save some of the lives of our people.

I first want to go back a little bit in history and tell hon. members that the first railway in Canada was built in 1832; it was some 60 miles in length. By 1890 the mileage of railway had increased to some 13,000.

Grade crossings became an immediate problem, and at that time these matters were handled by the railway committee on the Privy Council which was established under the provisions of The Railway Act of 1868.

The mileage of the railways continued to increase during the following years, and by 1904 there were 20,000 miles of steam and electric railways over which there were many hundreds of level crossings. As a result the public were demanding some adequate protection.

In 1903, The Railway Act was revised and the board of railway commissioners was established, and this board was given powers respecting highway crossings over railways and railways over highways.

The duty to insure adequate protection at level crossings rests with the board, but the cost of providing that protection fell upon the railways and the municipalities.

I cannot understand why the municipalities should be called upon to pay any part of this cost when the railways were established under The Railway Act of Canada and were under the legislative authority of the Parliament of Canada; they were constructed for the benefit of Canada and not for the benefit of any local municipality.

However, as the Act provided at that time, there were only two sources to pay for this protection, as I have said, the railways and the municipalities.

Neither of these bodies could afford to bear this cost.

The danger at railway crossings was becoming important in the minds of the government, the railways and the public, and here I would like to quote from the speech of hon. George P. Graham, Minister of Railways and Canals, made in the House of Commons in 1909:

This large question of level crossings is one that must be dealt with. There are level crossings, of course, where there is practically no danger, being in long stretches of level country where everyone can see for miles, or at any rate for a sufficient distance in each direction to protect himself against an oncoming train. But the situation has become somewhat

changed from what it was some years ago.

Let hon. members remember this was in 1909 when he was speaking.

During the past 10 years, at least, the speed of trains has been increased to meet the public demand for rapid transportation, not only the express but other trains as well, and the driver in any ordinary carriage [and the word carriage back in 1909 was used] is very easily deceived in judging the time it takes for an approaching train to reach him. Many a driver is apt to misjudge the time a running train takes to reach a crossing.

A running train takes a very small period of time to cover a quarter of a mile, when it is running at a mile a minute; and in this connection the public are not always blameless. We grow careless in crossing railway tracks, but this other question arises, that in this, as in many other cases, "the public ought to be protected against themselves."

It does not relieve the situation at all if we say that a man was killed on account of his own carelessness. If some provision could have been made to protect his life even against his own rashness, such protection certainly ought to have been afforded.

The question of level crossings is one that involves 5 parties. The one most interested, of course, is the family to which death has come by an accident. The general public is deeply interested in having some protection at dangerous level crossings. Then there are the municipalities, the provincial government, the federal government and then there are the railways.

In point of liability, perhaps we had better commence the other way. There are first the railways, then the Dominion and provincial governments, the municipalities and the public.

That is the end of his remarks in the House of Commons in 1909.

It will be noticed that the hon. gentleman mentioned the municipalities as well as the provincial government—but did not say why the municipalities should be a party except that they are deeply interested.

However, in that same year, 1909, hon. Mr. Graham introduced the grade crossing fund legislation, and The Railway Act was amended, setting up the railway grade cross-

ing fund. That is the year that the railway grade crossing fund was established.

The amendment to The Railway Act at that time provided that Parliament should authorize annually the sum of \$200,000 for 5 years for:

the purpose of aiding and providing by actual construction work of protection, safety and convenience for the public in respect of highway crossings of the railway at rail level.

The maximum amount that could be contributed to any one crossing was 20 per cent., and not to exceed in any one case \$5,000.

This amendment—and this is an amendment which very few pay much attention to—this amendment provided that the provinces be allowed to contribute to the cost of protection at level crossings, but as far as I can find out, no contributions have ever been made to the railway grade crossing fund by any province in Canada, and that legislation is still on the statute books.

This, then, is my suggestion, that the provinces of Canada contribute to this fund instead of the municipalities being levied with a large percentage of the cost of protection at level crossings. The construction of subways under railways, or bridges over railways, in my opinion should not be a local matter.

The people who are using the highways in this province come from all parts of the province, and of Canada.

The expense of a separation of grade is a costly work, and municipalities should be relieved of this cost, either by the railway grade crossing fund or by some arrangement between the provinces and the government of Canada.

Since 1909 the federal government has increased its contributions to the grade crossing fund as follows:

In 1914, they put in the fund \$200,000 per year for 10 years; in 1919, another \$200,000 per year for 10 years; in 1929, \$200,000 per year for 10 years; in 1947, \$200,000 per year for 10 years. Then, in 1948, they put into this fund \$500,000 per year for 9 years; in 1950, \$500,000 for two consecutive years; and \$1 million each year for 6 consecutive years.

In 1955, they decided to put in \$5 million each year.

Besides additional amounts which the federal government put into this fund, the percentage of contribution to any one crossing

was increased to 60 per cent., and a maximum of \$300,000 for each crossing.

From 1930 to 1940, additional financial assistance was made by the federal government for this work, amounting in all to a little over \$5 million. This extra money was to provide employment and had to be spent in the year in which it was voted; whereas the funds voted for the railway grade crossing fund are accumulative and build up from year to year.

The board of transport commissioners must apply this fund for the actual construction work for the protection, safety and convenience of the public at existing crossings at rail level.

Section 262 of The Railway Act gives the board power to apportion the cost of protection and to designate by which companies, municipalities or persons interested or affected, such costs are to be paid. But the board does not have any power to order a province, without its consent, to bear any portion of the cost of protection, or grade separation, although the highway may be under the control of the province.

From 1909 to the end of 1953 the sum of \$32,496,000 was spent for the protection of highway crossings in Ontario, and of this amount the fund—that is the grade crossing fund—contributed 21.53 per cent., municipalities and province (the province having to pay its share of provincial highways) 33.8 per cent., and the railways 44.67 per cent.

The total amount spent in Canada during those 7 years was \$51,731,255, so hon. members can see that nearly 60 per cent. of the money was spent in Ontario, and that meant a very large percentage of the cost was borne by the municipalities.

As a matter of fact, in the year 1953, the municipalities in Ontario paid 63.51 per cent. of the cost of this protection.

I contend that the unprotected crossing must be eliminated.

The increasing toll of death and injuries at level crossings is a matter of grave concern. During each of the years 1947 to 1953, there were more than 400 persons killed at railway crossings in Canada. For the same number of years there were 4,226 accidents at level crossings in Canada.

The present government at Ottawa has seen fit recently to recommend that \$15 million be voted to the grade crossing fund, and this amount should go far to eliminate many dangerous crossings in Canada. I feel, and I am sure the general public and in particular the automobile owner feels, that it is time for the two top levels of government to give

leadership in providing protection at the dangerous railway crossings.

Today, the procedure to obtain a grade separation—and generally it is done this way—is for a local municipality to make application to the board of railway commissioners, and that board, after due notice to all the parties affected, has a public hearing, and it takes sometimes months to get a work started. I feel the public feels that this system of getting these works started is antiquated, and that this method should be accelerated.

Since the hon. Mr. Graham made his statement in 1909, other factors have been added to the problem of level crossings.

In 1909 there were few crossings over which there were telephone lines or power lines, and there were few gas mains under railways. Today, and especially in the urban sections of this province, nearly every railway crossing has many utilities crossing over and under. These utilities, by virtue of either federal or provincial statutes, have special privileges to construct their plants on the municipal highways without charge.

Where grade separation is sought by a municipality, the utilities oppose the application on the ground that they receive no benefit from a subway or bridge over a railway, and that the cost of removing their facilities should be paid by the applicant and in most cases that means the municipality.

The attitude on the part of the utilities has delayed many grade separations. They have in many cases carried their objections to all the courts and as far as the Privy Council.

The Supreme Court of Canada and the Privy Council on numerous occasions have held that these utilities must relocate their plants at their own expense.

In the case of the Bell Telephone Company *vs.* the Canadian National Railways in 1932, and it is quoted in 39 *Canadian Railway Cases*, the court said:

The primary concern of Parliament in this legislation [that is, the Railway Act] is public welfare.

These utilities have the free use of the highways and as users should pay their fair share of grade separation.

I might say that we should give some thought at this time to a revision of our public service works, in The Highways Act, as given in chapter 318, RSO 1950.

This Act was first enacted in 1925 and amended in 1929 but has not been changed since that time. I do not know how many

hon. members are familiar with that Act, but I would just like to read a provision of it. This statute provides, among other things:

Where, in the course of constructing, re-constructing, changing, altering or improving any highway, it becomes necessary to take up, remove or change the location of the appliances and works of a utility, the road authority and the utility may agree upon the apportionment of the cost of labour employed in the work, and in default of agreement the cost of the work shall be apportioned equally between the road authority and the utility.

"Road authority" includes not only The Department of Highways but also a municipal corporation or other body having control of the highway. There is procedure for an application to the Ontario municipal board for an order apportioning the cost on some basis other than 50-50, but so far as can be ascertained this procedure has never been invoked.

The road authority is liable for one-half of the cost of labour, and the balance of the expense involved in the change of facilities of the utility is borne by the utility itself. The cost borne by a municipal road authority, it is true, is repaid to it, up to one half or more, by The Department of Highways, under the provisions of The Highway Improvement Act.

The provisions of this Act, I say, are inconsistent with the orders of the board of transport commissioners of Canada. I want to say, Mr. Speaker, that up to this date, and subject to a hearing that ended last week in Ottawa, the board of railway commissioners have authorized the utilities to pay 100 per cent. of the cost of moving their utilities when there is any change such as on a grade separation. That, I say, is at variance with our provincial statute.

The Ontario statute authorizing payment of 50 per cent. of the labour cost to the utilities, which have free use of our highways, should be amended to conform with the board's order which in fact overrides the Ontario statute.

If the cost of relocating the plants of these utilities is passed on to the municipalities, then the municipalities will shy away from applying for grade separations.

I therefore feel that this government and all provincial governments should urge that all users of highways should share in the cost of grade separations.

The utilities strenuously assert that the reason for grade separations is different today

than it was in 1912, when the speed of trains exceeded the speed of automobiles.

It cannot be argued that the Canadian economy and culture have remained static over the last 45 years. Many rural areas have become industrialized, immense strides have been made in the method of production, and technological advance has been fantastic.

The change from wood, water, and wind to iron, rail and electricity has had a profound effect on the country. All methods of communication and transportation have been improved and many new ones invented. Wheels have been made to run faster and distance has become more meaningless.

In recent years the number of automobiles manufactured has been colossal. Similarly, trains have multiplied and grown in length.

Nothing can be accomplished by counting the number of cars whether they be motor or locomotive. However, it is evident that coupled with expansion is expense. Hazard is inherent in complexity and numbers.

Thus, regardless of the number of railway crossings or the number of trains, the imminence of accidents at level crossings is greater as the volume of automobiles increases. The reverse is also true. History has shown that both automobile and train traffic has increased.

The growing problem of accidents is therefore obvious. Greater effort must be made to effect safe transportation and travel.

I say the welfare of the public is paramount. The free flow of traffic boils down to public convenience. Public convenience is inseparable from safety. Every railway track heralds a potential hazard. Often it is not only convenient but essential for the mechanized public to cross railway tracks in order to reach their destination. Complete delay in crossing would be complete safety. Safety varies in direct proportion to convenience.

The only problem is to determine whether the people who are enjoying the protection are paying for it or whether it is being subsidized by the utility subscribers and shareholders.

It is submitted that the practice of the board of transport commissioners for Canada, in connection with the apportionment of the cost of grade separations, manifests logic and equity, in regard to the utilities. No attempt is made to expound the argument that the loss suffered by utilities compensates for the free use of the highway to house its plant and equipment.

It is submitted, however, that any damage that the utility company may suffer by reason

of the necessity of a separated grade must be viewed as a hazard peculiar to its particular type of business. It must be absorbed as a part of the cost of operation.

Highways were and are laid out, dedicated and constructed to accommodate motor vehicles, not public utilities such as telephone plant and equipment. Admittedly it is convenient to use highways for the latter purpose, but this must always remain ancillary to the prime object of highway construction. This being so, utility companies construct their plant and equipment on highways at their own risk, and should bear the expense of the relocation of same if this becomes necessary by reason of any changes made to the highways.

I contend that the users of the utility are also the users of the highways. This fact is becoming more and more apparent as, for instance, telephones continue to be installed in our automobiles.

I would just like to point out the cost of the grade separation in the case of Victoria Park Avenue, which is the boundary line between Toronto, Scarborough township and East York township. In that case, the board ordered the city of Toronto to pay 33⅓ per cent., the township of Scarborough 20 per cent. and the township of East York 13⅓ per cent., for a total of 66⅔ per cent. which the municipalities had to pay for that grade separation. The railway, of course, paid the balance.

Now, under the terms of The Highway Improvement Act, RSO 1950, chapter 166, the hon. Minister may direct payment of subsidies with respect to the construction of bridges. I might say that subways are construed as being bridges.

In the case of townships, the subsidy may extend to 100 per cent. of the cost of a bridge in some municipalities, but the ordinary amount that is paid to townships is 80 per cent., and in the case of cities it is 33⅓ per cent., and in Metropolitan Toronto 50 per cent.

I would now like to tell the House, Mr. Speaker, how important this matter of grade separation is to one municipality—the township of Scarborough—of which I have a pretty good knowledge.

As the hon. members know, the township of Scarborough lies east of the city of Toronto and the township of North York, and is bounded on the north by the township of Markham, and on the east by the township of Pickering.

Scarborough has an area of 72 square miles, and a population of 150,000. It is the largest

area municipality in Metropolitan Toronto, and is the third largest in population. This township is laid out by concessions running east and west, a mile and a quarter apart, and side roads running north and south a half-mile apart. The total mileage for concessions and side roads is 175.

In addition to these original road allowances, there are 275.75 miles of streets laid out on subdivision plans, making a total of 450.75 miles of streets in the township of Scarborough alone, and at the present time we have 64 plans of subdivisions ready for approval.

Since 1946, there have been added to the township urban development some 10,000 acres of land, and that gives the hon. members an idea about the development.

In 1948, Scarborough had a population of 34,000. Today it has 150,000. In 10 years it rose from 34,000 to 150,000.

We have in the township of Scarborough running from east to west the main line, double track, of the Canadian National Railways. There are at present 13 level crossings over that main line, and included in those crossings are such streets as Kennedy Road, St. Clair Avenue, Midland and Eglinton Avenues—very highly travelled highways, and these are level crossings.

There is a branch line of the Canadian National Railways in Scarborough, and on this line there are 9 level crossings. And on this branch line there are level crossings over important highways such as Eglinton Avenue, Lawrence Avenue, and Danforth Road, all being main thoroughfares and heavily travelled.

In addition to these highways we have had subdivisions constructed along this branch line in which there are 4 more level crossings.

There is also the main line of the Canadian Pacific Railway running through Agincourt, which is double track, and then from Agincourt there is a branch going to Montreal and one to Peterborough. On this main line there are 8 level crossings including Pharmacy Avenue, Ellesmere Avenue, Kennedy Road and Sheppard Avenue, also very heavily travelled. On the Peterborough line there are 7 level crossings, and on the Montreal line 7 level crossings.

Of the 22 level crossings, 5 have some form of protection. There is only one grade separation and that is on Victoria Park Avenue, which is the boundary line, as I said, between Scarborough and North York townships.

This double main line of the Canadian Pacific Railway crosses very important highways. There is, of course, some form of protection at each of 5 crossings, but even that protection, consisting of automatic signals, is not sufficient protection to the public.

There are at present 82 railway crossings in the township of Scarborough. There are 7 grade separations on the Canadian National Railways, 4 on the Canadian Pacific Railway.

There is some form of protection, such as wig-wags, on 11 crossings, leaving 60 unprotected crossings in one municipality.

When we consider the population of Scarborough—and I might say there are 32,899 public and high school pupils—the danger there is to human life can well be imagined.

I would like to recommend, Mr. Speaker, to you and to all hon. members, that they read the leading editorial in the *Toronto Telegram* of Monday, February 17, 1958, when it said:

How long will Canadians continue to tolerate the appalling toll of death, mutilation and injury in level crossing accidents? Surely it is not the cost of adequate signals, safeguards, overpasses and underpasses which deters action in this matter, for who is to place a price on human life?

The vast majority of level crossing accidents could be prevented by adequate signal systems. Still the toll continues to mount. Here is a sampling of the *Telegram* headlines during the past two months:

AT WINDOW FRIEND SEES GUESTS KILLED
TWO TRAINS KILL TRUCKER—DAD, BOY
SIXTH VICTIM DIES AT WORST CROSSING
FLYER CUTS CAR IN TWO, KILLS BOTH
OCCUPANTS

CAR STOPPED SECOND, TRAIN KILLED
TWO

TWO KILLED AT CROSSING.

So, my point is, Mr. Speaker, it is time that all levels of government, and especially the federal government and the provincial government, should get together and do something to protect the people, as the hon. Mr. Graham said, "protect the people against themselves."

Some hon. members: Hear, hear!

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, it is my privilege to join in this debate, and like the others who have preceded me, to express my congratulations to you personally for the very fine way that you have conducted this House, and I am sure you will continue to do so.

I was very much impressed a few days ago when you said that you are responsible for the administration, not the determination, of the rules. Maybe with the enthusiasm that you demonstrated, you could be prevailed upon to investigate some of the rules that might assist us in some little respect—such as doing away with the requirement that we submit all our questions long in advance.

Now, we are required to receive special permissions in circuitous fashion before we ask questions. I suggest that we be serious about it. I think there might be something in that suggestion that you be prevailed upon to investigate.

Mr. Speaker, it is a pleasure for me to join in this debate, and I am going to try to confine my remarks today to the issues that others have brought forth, and debate those issues as they have progressed in the debate thus far.

Before doing that, however, I want to take this opportunity to express my appreciation to the hon. leader of the Opposition (Mr. Oliver). He has been particularly good to me and to all hon. members of the Liberal Opposition, I am sure. We have a particular fondness and liking for him, and I welcome this opportunity to express this opinion, and this expression of appreciation, to him publicly. I for one, hope that he will long continue in public life, where I am sure his heart and mind find their happiest times and places.

Some hon. members: Hear, hear!

Mr. Wintermeyer: Mr. Speaker, I was going to tell the hon. Prime Minister (Mr. Frost), and maybe the Speaker of the House will convey this message to him, that we all have real respect for his person. Maybe I, in the past, had permitted that personality to becloud some of the real functions of hon. Opposition members. That great cloak of personality that suddenly descends on the hon. Opposition members, to smother even some of their best criticisms, is a tactic of the hon. Prime Minister that is well known to all of us. Perhaps some of us should be a little more persuasive and determined in our position than we have been heretofore.

Nevertheless, it is my personal expression to the hon. Prime Minister that we respect his person and I hope, in this session, we will not permit the same degree of dissuasion and "soft soap" to overcome our official position.

Mr. Speaker, it seems to me that one of the issues that certainly has been put into debate thus far, in this Throne debate, is the question of fiscal arrangements, and I intend

to spend a few minutes in discussion of that problem.

The hon. leader of our party and I believe the hon. member for York South (Mr. MacDonald) taunted the hon. Prime Minister, and I think with just cause, for the manner in which he accepted a compromise arrangement with respect to the final arrangements between the federal and provincial governments. They suggested that it was rather unusual that the hon. Prime Minister who, a year ago, demanded \$100 million, settled for 22 cents on the dollar, and settled in a rather extraordinary fashion—that is, by the acceptance of a telegram rather than debate around a conference table.

I think there is much merit in the criticisms that have been levied. For myself, I would underscore that particular arrangement with this comment—all hon. members in this House will remember our hon. friend from Port Arthur (Mr. Wardrope) when, in moving the speech from the Throne a year ago, he rose in this House and in great anger in effect said:

Look at those terrible people in Ottawa. They are assembling a surplus that is overflowing, it has now reached \$500 million. One-half of that is ours in all equity, in all fairness, and they must disgorge part of that. We must bring it back to the people of Ontario if we are to be responsible to our job in this Legislature.

And it was not long thereafter when the hon. Prime Minister took up the cudgels and said:

What the hon. member for Port Arthur has said is true and I add only this, that I would say that in all charity, the fairest thing that can be said of that government, that inequitable, unfair and unrealistic government in Ottawa, is that it is unrealistic in its approach.

And I say this, that we cannot accept a cent less than \$100 million by way of arrangement and settlement of our fiscal arrangements.

We hon. members of the Opposition said that this government was receiving substantially more than it had in previous years, and we were told that we were “stooges” for the people in Ottawa. We were told that we should either stand up and be counted by the “little people” of this province as stooges of Ottawa, or as supporters of the good administration of the people of Ontario.

We argued that point in great detail, and I think all hon. members know very well the issue as it evolved.

And then a surprising thing took place, a surprising thing to hon. members and to me, on June 10.

Hon. Mr. Roberts: More to the Opposition than to us, though.

Mr. Wintermeyer: Unexpectedly I say, the hon. Prime Minister found himself in the position where he had to deal with a Conservative government in Ottawa. The hon. Prime Minister, who had gone about the countryside, from place to place and city to city—and in all fairness, I say he did more to defeat the Liberal government than any man in Ontario and he defeated it on one score, that is his fiscal arrangement.

The hon. Prime Minister who, by his reputation, his genuine appearance of honesty, good judgment, and trust in the people of Ontario, said to the people of Ontario:

They are unfair to me, they owe me half of that surplus but I am willing to settle for \$100 million and the rascals will not listen to me. Now I say to you, they have to be thrown out and others replaced who will deal with me at arm's length and in a fair and equitable manner.

And thus the people voted, and thus the people rushed to the polls to assist this “great white father,” and then what happened?

In November, or thereabouts, a conference took place, an extraordinary conference that resulted in nothing concrete except a love-matching arrangement, at the conclusion whereby each congratulated the other on the great progress that had been made.

In terms of reality, what practical advantage or progress was made? I believe that Ontario at that time received an additional \$5 million by virtue of certain adjustments, and the hon. Prime Minister called that a great achievement, one worthy of note. More progress had been made in those two days than in any two years of previous conferences.

We in the Opposition benches stood by and watched. Maybe there was something more to come, and then surprisingly—as the hon. leader of the Opposition has said—5 days before the election announcement, something did happen. We were told that the people of Ontario would be paid an additional \$22 million, not in this year 57-58, but in the year 58-59.

Mr. Macaulay: So was everyone else.

Mr. Wintermeyer: Exactly, we were all surprised, but I say to the hon. member for Riverdale (Mr. Macaulay) that the issue is

simply this—if the hon. Prime Minister was sincere a year ago, then he must be sincere today. If he asked us to stand up and be counted by the little people of Ontario, he has to accept the same responsibility today. If he was right a year ago that we are equitably entitled to \$100 million, we are entitled to that today, and his job today is to go to the same housetops and tell the hon. Mr. Diefenbaker, in no uncertain terms, that he is still entitled to the \$100 million.

Hon. Mr. Dunbar: The hon. Prime Minister is still asking for it, he will get it.

Mr. Wintermeyer: He chose political expediency to principle. He chose, when he was put to the test, the machinations of the Conservative government to the little people of Ontario, and he is the man who must now stand up and be counted. Either he was right or wrong then, and if he was right then he must, in all fairness and honesty, continue to fight for the little people of Ontario—

Some hon. members: He is! He is!

Mr. Wintermeyer: —and he must continue to fight for his \$100 million. He settled for 22 cents on the dollar.

An hon. member: He did—

Mr. Speaker: Order.

Mr. Wintermeyer: He certainly did. Now Mr. Speaker, I will argue this point in a few moments, but I am not going to be precluded at this particular stage. At the conclusion—

An hon. member: Will the hon. Attorney-General kindly sit down?

Hon. Mr. Roberts: I am asking for an opportunity to ask a question.

Mr. Wintermeyer: No, I am not going to get side-tracked.

An hon. member: Let the hon. member not make a charge that he cannot sustain.

Mr. Wintermeyer: Mr. Speaker, the fact is as obvious as one and one are two. I am not arguing now, that I said something a year ago or did not say something a year ago. What I am arguing is the simple principle that if the hon. Prime Minister was right a year ago, we are still owed \$100 million and we have not got it, and we will not have it in this fiscal year.

And all we are promised for the next fiscal year is \$22 million, nothing more, as the hon. member for Riverdale acknowledged

a week ago. The agreements have not been amended at all, but by virtue of the gratuitous attitude of the hon. Mr. Diefenbaker, we may, under fortunate circumstances, receive \$22 million.

But remember this, we may not get it.

Hon. Mr. Roberts: If the hon. member watches, he will see what happens in the next 5 years. Rome was not built in a day.

Mr. Wintermeyer: Mr. Speaker, now that is the exact attitude of the hon. Prime Minister as well as the hon. leader of the federal government today. Are we not entitled to know what is going to happen? Is this a secret arrangement between the hon. Prime Minister and the hon. Mr. Diefenbaker, or is it an arrangement for the benefit of the people of Ontario? What do they know that the people do not know? What right has the hon. Attorney-General to make that statement unless he has some secret information that he is not divulging?

Hon. Mr. Roberts: I would just say this, that if the hon. Prime Minister was in his seat, he would say it will all unfold in the fullness of time.

Mr. Wintermeyer: The fullness of time is not good enough, Mr. Speaker. These men have used this cloak of deceit for too long. Now is the time they must stand up and be counted. If they were right a year ago, then the hon. Provincial Secretary and the hon. Attorney-General and others should go to the wayside, speak from the housetops as they did a year ago, and criticize the hon. Mr. Diefenbaker for failing to live up to his promise of a year ago. They have let the people of Ontario down, and the sooner the people of Ontario realize it, the better for the people of Ontario.

An hon. member: I am going to interrupt again on the matter of privilege.

Mr. Speaker: The hon. member for Waterloo North has the floor.

An hon. member: Ask him to deal, but if he will not deal, all right.

Hon. Mr. Roberts: The hon. member for Waterloo North can speak for himself, he does not need the other 10.

Mr. J. Yaremko (Bellwoods): Will the hon. member permit a question?

Mr. Wintermeyer: Mr. Speaker, I will allow the question in just one moment. I think I can anticipate one or two of the questions that they are going to ask me, of

course, and I would hope that my hon. friend for Riverdale—whom I respect very much and who I am delighted is in his seat today to defend this government in regard to its fiscal programme—I suppose he or somebody else will say to me: “Well, what you say is all right, but what position did you take a year ago?” Well fine, now here is the position.

Mr. Jackson: What did the hon. member say a year ago?

Mr. Wintermeyer: Mr. Speaker, a year ago, I contended that agreements which were then proposed by the government were fair and equitable, and I said, over and above that, that I acknowledged very frankly the fact that if this government were to get away from the deceitful form of demonstration of budgeting, wherein the capital expenditures are not shown against the ordinary revenue of the government and thereby demonstrating fictitious surpluses each year; if they would scrap that system and if they would acknowledge, as they do in Ottawa, a balance sheet wherein the total revenue and total disbursements, ordinary and capital, are shown, I would acknowledge a need for more money.

That position we took very emphatically, and I am not ashamed of it today. I think it was an intelligible position then and it is now.

The principle that I am contending for today is simply this—that the position, the inconsistent position of those responsible for the fiscal programme of this government, is wholly inconsistent with the position they took a year ago, and they have resorted to political expediency at the expense of the people of Ontario, and that in short is my submission with respect to the fiscal arrangements.

Now if the hon. member for Bellwoods wishes to ask a question in respect to what I have said thus far, I am quite prepared to accept it.

Mr. Yaremko: The hon. member stated his own position. I just want to ask him—in his opinion—does he think that the hon. Prime Minister was right a year ago?

Mr. Wintermeyer: No, I do not, very frankly. I think this. I think the hon. Prime Minister needed more money. I think this government needs more money, but I, for one, do not believe that the place to raise all revenue at the municipal, provincial and federal level—as is now becoming the custom—is by virtue of income tax and corporate income tax.

I think there are other far more equitable sources of revenue that can be devised for the good administration of this government. That is my answer in respect to the hon. member's particular inquiry.

Mr. Macaulay: May I put a question?

Mr. Wintermeyer: Yes.

Mr. Macaulay: My hon. friend has just said that he believes that this government needs more money and did then. If that was so, why did he vote against the bills which would raise more money?

Mr. Wintermeyer: My hon. friend from Riverdale knows very well, and if he will examine *Hansard* for the last year, he will see that repeatedly I took the position that, if this government would do away with the unfortunate habit of confusing capital and ordinary revenue and capital and ordinary disbursements, and show us an over-all balance sheet—and he will recall very well my argument about the highway reserve fund—I would acknowledge the need for more money.

Mr. Macaulay: He would acknowledge the need for more money. How does he know now that we do need, and did then need, more money if he could not read the balance sheet?

Mr. Wintermeyer: That, I cannot understand.

Mr. Macaulay: The hon. member said a moment ago that the province was, and is, in need of more money. How did he come to that conclusion, if he could not decipher the balance sheet?

Mr. Wintermeyer: Well now, Mr. Speaker, I could decipher that balance sheet very well, and so could the hon. Prime Minister and I hope that the hon. member for Riverdale could, and that he saw the fraud in it.

I think the hon. member for Riverdale got up on repeated occasions and complained about the presentation of the budget, complained of the very thing of which I am complaining.

Certainly we saw it, but in order to dramatically demonstrate to this government that it was not being fair to the people of Ontario, we were asking the government to change its form of presentation—and had they done so, we would have gone along with them.

They refused our request, and now we are in perfect justification for contending that if they had a surplus, as they contended they had, which I will acknowledge they never

did have, but if they had as they said, they did not need the money.

Now, Mr. Speaker—

Mr. Whicher: They will have another surplus next Wednesday.

Mr. Nixon: What is the hon. member for Riverdale's answer to that?

An hon. member: The hon. members of the Opposition should not lose their tempers.

Mr. Wintermeyer: And now, Mr. Speaker, may I talk for a few minutes about the great subject of education. I am sorry that the hon. Minister of Education (Mr. Dunlop) is not in the House, but I assure hon. members that any of the remarks I have are not directed in any personal respect against him, but instead—

Hon. Mr. Roberts: He is down in Ottawa for that conference.

Mr. Wintermeyer: Yes, and I am delighted that he is, and we hope that he will participate in that programme to the advancement of education in Ontario.

Interjection by an hon. member.

Mr. Wintermeyer: Well Mr. Speaker, the hon. leader of the Opposition did highlight one important factor in respect to education, and that is the fact that we must differentiate in our responsibility toward this great problem as between finances and technical aspects. I believe that the hon. member for York South pointed out and highlighted the same thing.

I think that for too long we have adopted a cash-register attitude toward education. The great reforms of education have not been introduced in this House by the hon. Minister of Education, but instead have been introduced by the hon. Provincial Treasurer. For too long we have had a dollar sign in front of the whole problem. We have been perplexed by dollars, and we have failed to get to the heart of the matter, failed to understand the needs of the people of Ontario with respect to education.

What are these needs? I will acknowledge that there is a financial problem, and we will have an opportunity to debate that on the occasion of the budget. What I am interested in right now is the technical aspects. In that respect, I hope that hon. members will all agree with me that we have a crisis, but if they do not, then maybe I can persuade them by reference to an article which appeared on the editorial page

of the *Toronto Globe and Mail* a few days ago. I will read it in part:

There is a crisis facing our educational system. It is a crisis of numbers, in which the immense increase in our child population has forced the rapid building of many new schools and the acquisition of many new teachers. This problem is shortly going to hit the secondary schools and universities with a heavy impact.

There is also a crisis of quality and purpose. Are we providing the right kind of education and to what end? Can we maintain the traditional values of our society against the pressures of a civilization alien in spirit? Are the standards of teaching and the demands of excellence high enough for a civilization growing constantly more complex?

The values of education are reflected by the respect people have for it, the amount they are willing to pay for it, and the use they make of it.

Now I underscore that article only in the hope that I will persuade this House that there is a crisis facing us in respect to the people of Ontario education-wise. I hope that hon. members will agree with me, and that we can go forward from this point and cease and desist the detestable attitude that has prevailed thus far, where we try to explain away the whole essential crisis in terms of expansion in schools and teachers occupying each schoolroom.

Now, Mr. Speaker, I suggest to you and I will acknowledge at the outset that, in respect to what the hon. member for York South said in regard to discipline, we have a problem, in that respect, that may be beyond our educational system.

I think maybe the answer is in what the hon. member for Peel (Mr. Kennedy) said a few days ago, in that very exemplary and moving address wherein he referred to his church and his family as the fibre of our society. I think all in this group will agree with him in that respect, agree that unless we maintain those traditional standards, we cannot hope for good discipline in the school. We cannot hope for the type of educational system that we all want.

But over and above all that, once a child gets to school, what do we do with the child? Do we discipline that child? Do we teach that child the things that are required to make of that child a real citizen of this province? Do we give him the tools with which to go forth as a scientist or as a mem-

ber of some other profession or in some other capacity?

I do not think we do. I think our attitude toward education is that of mass production. We cater to the mediocre person.

What have we done about assisting those persons of excellence? What have we done about the superior student? What have we done to encourage boys and girls to go on to the professions? What have we done about the teaching profession as such?

A few days ago I made a survey, and to my amazement I found that, in attendance at the Ontario Educational College at the present time, there are approximately 150-160 people taking specialist courses. These are boys and girls who have completed university or are now at Ontario Educational College preparing to teach high school.

One would expect those specialists to include persons interested in the sciences, in mathematics, in English, in history and the like, but what do we find? In the year 1953-1954, Mr. Speaker, there were 152 such persons in the said college. Fifty, one-third of them, were in the physical education department.

Now, I ask the hon. members of this House, are we more interested in producing football players than scientists, or are we more interested in telling people how to build their bodies, than in telling them how to build their minds?

In that same year, there was not one specialist registered in the chemistry and biology departments, not one in physics and chemistry. Four were registered in science, 16 in English, and so on. In mathematics, there was not one. That was in 1953-1954.

Lest hon. members think that was an unusual year, in 1954-1955 there were 165 such persons, of which 55 were in the physical education department. Three in that year were in physics and chemistry, one in chemistry and biology, one in English and Latin.

Now I ask you, Mr. Speaker, what are we going to do about this problem? I do not think there is an hon. member in this House who hates communism, as such, any more than I do, but let us acknowledge it in realist form.

Russia has done something about developing scientists, about developing its educational system that has become the envy of the world. And unless we are prepared to make sacrifices, unless we are prepared to do something about this problem, we might as well stop talking right now, because the intellect is the greatest faculty that God has given

man. It can be developed only by ingenuity, by training, by exercise and by assistance in the educational system.

If we are not going to be interested in that, and if we are going to become easy-going and subjects of materialism, as such, taking the easy way out and failing to exercise the discipline that is required, we are going to end up as a second-rate nation, and I do not think there is an hon. member in this House who wants that.

Now it might appear that I am talking theory, but I am not. Facts and figures demonstrate that, in our educational system, we are not encouraging boys and girls to get in there and do the job, for our young people, that is required to be done. We need more professional teachers, honour teachers as there have been in the past, teachers who have been respected because of their positions, who have been trained to do a particular job. That is required to be done at the present time.

Unless The Department of Education acknowledges that in a realistic way, and undertakes the job shortly, we will be in a chaotic state in this particular province. I do not suppose the day is too late, we still have an opportunity, but for goodness sakes, I say to the hon. members, let us wake up. We cannot go on indefinitely in this manner and hope in some miraculous fashion that we are going to compete in international affairs in any intelligible way.

This world is becoming more complex all the time. I am not a great advocate of the signs that say such, far better I think that we train men who can think.

But we are not even doing that. We are training physical educationists. That seems to be our genius in life, that seems to be the objective of the department.

Now, I am being blunt about it in a deliberate effort to be provocative, because, in this respect, I do not intend to upset the department as such. What I intend to do, and what I hope to do, is to ask hon. members to join with me in assisting the hon. Minister in publicizing this whole thing. Dollars will not do it but certainly he, by good public relations, can encourage young boys and girls to get into the teaching profession, to accept it as a privilege, finance them if need be, give them what encouragement is required, but for goodness sakes, let us do something.

Now, Mr. Speaker, the third point to which I want to make reference, at this time, is a matter of the administration of justice in this province. Now in this respect fortunately, we have the responsible officer, the senior hon. member of the cabinet, with us.

Mr. Speaker, it seems to me that, in the last number of years, there has been a decline in the appreciation of justice in this province. It used to be that this portfolio, that of the Attorney-General, was the senior portfolio as I understand it, in the government. Now I am not sure just where it is, but certainly it is considered inferior, or below Treasury, in matters relating to finances.

In the old days it was important because we believed in certain things. We believed in the administration of justice as such. We believed that every man should have his day in court and could have it. We believed that justice was something, divorced if you will, from government to which every man had access. We believed in a certain principle of government.

I want to express myself clearly here, and in this particular respect I am not trying to be critical of the hon. Attorney-General or the department, but it seems to me that in years gone by, we had a keener appreciation of what government was for—the purposes of government. We had an appreciation of the fact that the government was a servant, and not the master, of the people.

I am afraid that now our attitude towards government is that of a paternalistic form of oligarchy. That is, instead of the people being masters of government they are subject to it. The attitude of government to the people is that of paternal favouritism, instead of that of stressing the right whereby a man can go to his government, and if his government does not do right by him, go to a court and say they have not done what they should do. This is my complaint.

Now I want to point out one specific criticism that I think can be levied at those responsible for the administration of justice in this department. May I say to the hon. Attorney-General that this criticism stems from a time previous to that when he assumed the office.

It is my understanding that in 1952 or thereabouts, an Act was passed called The Proceedings Against the Crown Act. Now that was considered a great step forward in the administration of justice in this province. That Act in 1952 has never been promulgated. It has never become law as such.

Let me explain a little about the technical aspects of this problem.

In Ontario today, if the hon. Provincial Secretary is driving in a government car—and I have no objection to that whatsoever—and if that car becomes involved in an accident, and suppose that it is due to an error in

judgment on the part of the driver of the car and somebody is injured, or physical harm is occasioned by virtue of that accident, that person cannot sue this government or take any legal redress against it without the permission of the hon. Provincial Secretary or the hon. Attorney-General.

Now I think that is a terrible situation and that any man in Ontario should have the right to pursue what claim he has against this government.

Who does this government think it is, that it should set itself above the people of the province?

Hon. W. Nickle (Minister of Planning and Development): Would my hon. friend permit a question?

Mr. Wintermeyer: Yes.

Hon. Mr. Nickle: Well, my question to the hon. member, who belongs to the same legal profession that I do, is this:

I think he will agree that, if a car being driven by one employed by the government is involved in an accident and damages ensue, although if he wishes to sue the Crown as owner he may have to get permission, at least he will agree with this, as a good lawyer—he could at least sue the driver, could he not?

Mr. Wintermeyer: Oh, certainly, one can sue the poor driver or an employee of the government, but he cannot sue the government. Man alive!

Hon. Mr. Nickle: But the hon. member, as a good lawyer, should have learned by some experience in the courts that one must put all sides before the court.

Mr. Wintermeyer: All the sides! I ask, Mr. Speaker, let us ask the hon. Minister: can a complainant without a fiat—and for the edification of those people who are not familiar with all this legal talk, fiat means permission—that is, can he sue the government without the permission of the government?

Hon. Mr. Roberts: Certainly, he can certainly sue, but he may not succeed. But one can sue the driver, the hon. member knows that.

Mr. Wintermeyer: Certainly it could be done, but does the hon. Attorney-General think that is good?

Hon. Mr. Roberts: Certainly, I do.

Mr. Wintermeyer: Well, I am disappointed.

Hon. Mr. Roberts: And the hon. member has done the same thing.

Mr. Wintermeyer: Now, Mr. Speaker, I think there is a more serious problem than this particular illustration that I have given. What does this really mean? It means that a citizen cannot sue the government except with the permission of the government.

Before I go on, let me assure all hon. members that this is not the question in the federal government. At the federal level, a citizen can sue without anybody's permission, granted that one must use a certain form of writ different from those normally used, but nobody needs to approve of the citizen's action, nobody has to give his consent.

But here in Ontario, one cannot sue the government without the government's consent.

Now I suggest to hon. members that what is really happening is this. It is permitting certain inefficiencies to be hidden from view. I am not complaining now of wrongdoings as such, or graft, or any of that nonsense, at all. I know of no instances where anybody has neglected to give permission, or refused to give permission, to sue because of some political advantage that he might gain. That is not what I am interested in.

But I am interested in persuading the people of Ontario that they are entitled to a fair deal if they have a complaint against the government.

What does a man, who is dealing with The Department of Highways have to say when he goes to the department complaining about an interpretation of a contract? He has entered into a contract to do work for the department for hundreds of thousands, and maybe a million dollars, and he goes to that department and says: "I interpret this contract differently than you do."

And what does the department say? "Well, we interpret it in our way, you interpret it in your way."

The normal thing, the natural thing for that man to do is to say: "Let us refer it to a judge, let us take this to court and have it settled by an independent person." But the department official will naively remind that man that he cannot pursue his right unless he has the permission of the department officials—unless he is given permission by this government.

I say that is an intolerable situation, and one that is bound to lead, eventually, to bad administration. It is bound to hide inefficiencies in departments.

Let people who have a right, who think they have a right, pursue those rights in courts. We will have far better administration as a result. If there are certain wrongs in contracts, they will be clarified in that manner.

If a certain man or a certain official of this government has done or said something to a citizen of this province, whereby he thinks he has been wronged in tort, why should he not have the right to sue the government? Certainly he should.

The position of the government is absolutely indefensible, and I do not think it should be tolerated any longer. We have an Act on the books, an Act which was passed—as I say, to the best of my knowledge—in the year 1952 or thereabouts, and it has never been enforced in law. Why, a person cannot even sue Hydro at the present time, and hon. members know and I know—

Hon. Mr. Roberts: The hon. member knows how that one got on the—

Mr. Wintermeyer: All right, we know that. But the fact of the matter is that a citizen cannot sue without permission, and I would remind the hon. Attorney-General that in New York state right now, there are literally \$30 million worth of claims in the courts with respect to the seaway contracts.

Now, let us not think that New York state is going to lose \$30 million, but it is demonstrative of what interest people have in the determination of their rights outside of the Parliaments of the respective jurisdictions. In New York state today, they are judicating on these problems with respect to the seaway, and we, the people of Ontario, are denied this right. Why should we be denied the right, and how long should we continue to be so? I know the answer, and, Mr. Speaker, if you think, you too will know the answer.

The answer is simply this, that the government can, very conveniently, persuade people to effect settlements that they would never be able to persuade them to accept; this government can hide inefficiencies of people and departments that they could never hide if these citizens had the free, God-given right to pursue their rights in court, as we in the Dominion of Canada and under British justice have always presumed they had those rights.

Now, Mr. Speaker, the third thing that I want to refer to in respect to the administration of justice is something that has come up in this House on several occasions. Particularly, I refer to the matter of appeals from administrative boards.

I brought this up on two or three occasions and, in charity, I would say that the hon. Attorney-General disagreed with me. I think that we must recognize today that much of the administration of government is done by boards and commissions, and I suppose it cannot be otherwise.

But these men are performing semi-judicial functions. They are judging on the rights of individuals. When a person goes to the liquor licence board and says: "I would like a licence to operate a hotel at such and such a place," the chairman of that board can say whether or not he has the right.

Now I make this emphatically clear, Mr. Speaker, I have the highest respect for the hon. chairman of the liquor licence board (Mr. Collings), personally, and I do not think that he would ever do anything deliberately dishonest as far as he is personally concerned.

But let us remember this. He is, like hon. members and myself, an ordinary man and he is going to make mistakes, and his mistakes cannot be appealed to any court of this land.

Certainly they should be. Why should they not?

Likewise, with respect to all the other boards.

Let me repeat what I said, I am not interested in personally criticizing those in charge of the boards and their particular administration, but I am criticizing the refusal of this government to acknowledge the basic rights of people to pursue their legitimate complaints in an impartial tribunal outside the government.

Now, for an example, why should we have to sue before the municipal board, while subjects sue in the courts? All these things that I am trying to say boil down to the simple proposition that we in Ontario have not exercised imagination. We have not kept abreast with the development of our complex governmental system, in assuring that the little people of Ontario have and maintain their rights, and that they have the right to pursue, in an impartial tribunal, those traditional rights that they have in other jurisdictions and for which we have been and said we were so proud.

Our acts belie our statements. Where is the imagination, where is the confidence that this government wants to give to the people of Ontario? If it wants to make them more confident, if it wants to acknowledge them as its masters, and not as its servants, then I say give these little people the oppor-

tunity to dispute decisions in an impartial forum.

Mr. Speaker, the next subject to which I want to make some brief reference is the matter of the unfortunate traffic-accident loss that is occasioned on our highways.

Now, we will all acknowledge that as we grow and our population grows, and our highways are populated by more and more cars, there is bound to be more accidents.

I made an investigation recently in the state of Connecticut, and took the opportunity to call on those people responsible for the administration of their highway traffic safety project. I was told the essence of that very successful project. I do not think I have to tell this House that the state of Connecticut has an enviable record on all this content in safety traffic regulations.

The essence of their whole programme is this:

They contend, firstly, that speeding is the basic cause of most accidents.

Secondly, they contend that usually a driver cannot be dissuaded from speeding by telling him that his life is in jeopardy, but he can be prevented from speeding, stopped from speeding, by telling him that if he is caught speeding, his licence will be suspended—an unusual thing, but a human and realistic thing.

I say to you, Mr. Speaker, that this government has not faced up to the realistic fact that the only way to stop the terrific toll of accidents in this province is to impose an absolutely iron-clad regulation with respect to the suspension of licences for speeding violations.

The sooner we determine that that is the way we are going to stop the terrifically increasing toll in our accidents and deaths on highways—the sooner we acknowledge this realistic fact—the better it will be for all of us, and the sooner we will start reducing the total number of fatalities.

If a man is caught speeding, suspend his licence for 30 or 60 days. In Connecticut it is 30 days for the first infraction. Forget all about fines. That will not do the job. Then, when he is caught a second time, suspend his licence for a longer period of time, and if he persists in this, suspend his licence indefinitely.

We must get tough about this, and there is only one thing to do and that is to try to persuade the hon. Attorney-General to take some courage, and to stand up and determine that he will do the right thing for the people of Ontario.

They are ready to accept this type of legislation, they are desirous of accepting it, but we have to have somebody who will take the responsibility, the inconveniences and the criticisms that will be levied at the outset.

But the great governor in Connecticut likewise took those criticisms for a few months, and thereafter he was the subject of great praise from all people in that particular state, where now the actual death rate is declining each year instead of mounting as it is here. It is going down and down in Connecticut.

The numbers of cars are, I believe, just as great or maybe greater than here, and yet their death rate has declined from something like 350 to 250 per year.

If we are really sincere about this, I suggest that is a realistic answer to our programme, and we should be thinking about it and doing something about it.

Mr. Speaker, necessarily I must get on to give others an opportunity to take part in this debate. There is only one other subject I really want to make some reference to today. I will have the opportunity, on the budget, to speak of other things that might legitimately be discussed now.

This subject I am going to discuss relates basically to the hon. Minister of Planning and Development. We have heard much discussion in this debate thus far about unemployment. I ask him why his department does not do something about the low-cost housing situation? Why does he not try, ingeniously and imaginatively, to promote housing schemes?

I would suggest for his consideration something of this sort. I would suppose that, if he were prepared to commit the government of Ontario to guarantee all monies deposited in a co-operative bank—or say the provincial bank of the province—at a reasonable rate of interest, in the knowledge that those monies would be used for mortgage purposes, he would get the support of many depositors in this province without cost to the government, and would make available, to the people of this province, funds in unlimited source.

I acknowledge that, at the present time, many of our private financial institutions are not investing in mortgages. They are not doing it, for the simple reason that the interest rates on bonds and other securities are preferable, or higher if you will, or just as high as mortgage rates.

Now, I think the one way to get money back into the mortgage department, or the mortgage field, is to persuade the ordinary people of this province to invest their savings in a bank wherein the deposits are used for

that purpose, providing they are guaranteed by the government.

If the hon. Prime Minister were here, I am sure he would jump to his feet and say: "Why, you foolish fellow! Do you not recall what the late Mr. Hepburn said in that respect? He referred to such money as 'hot money'."

He certainly did, but the fact of the matter is that all our financial institutions are issuing what are called "guaranteed investment receipts." That is, it is true that this money could be withdrawn very quickly from deposit, and would not be available when needed for mortgages, but the hon. Minister could make a contract with the depositor, the same as every trust company and every financial institution in this province does, whereby he is required to leave it in there for a specific period of time whether it be 1 month, 6 months, or 1.5, 3 or 5 years.

That type of undertaking by the government would cost this government, I venture to say, by way of loss and makeup of bad mortgages, less than .8 per cent. of the total investment, because that is about the regular rate of loss on mortgages.

It would cost, in terms of dollars, next to nothing. An ingenious method, the type of—what did the honourable the Lieutenant-Governor (Mr. Mackay) say? He said that we should be looking to the future with great confidence and—I am sorry, I forget his exact words—but he said that we should be devising ingenious methods to handle and solve the problems of the day.

Here is one that would not cost anything to speak of, and it would give the housing development in this province a great impetus at this particular time, particularly at a time when we are talking about unemployment.

I venture to say that such a programme would meet the needs of the unemployment situation and the unemployed people of this province just as effectively—and I dare say far more effectively—than the suggestion which was made a few days ago by the government, much as we might approve of that suggestion.

Now, Mr. Speaker, the interest rates on this would not have to be very high. People investing in banks by way of deposit at the present time, the little people of the province investing their savings of \$1,000 or \$2,000, are getting next to nothing interest-wise. The hon. Minister knows it. What is it, 3 per cent.? Suppose we offered them 4 per cent. We would attract their attention, and it is common knowledge that a good administrator

can invest such money at an additional 1 per cent. or 2 per cent.

In other words, the mortgages could be invested at 5 per cent. or 6 per cent., which is lower than the prevailing rate, and still pay the investor more than he would get at a regular commercial bank.

I suggest this, because I think that it is the type of thing that we are required to do at this time. Too long we have thought in terms of dollars only. What is it going to cost us? How are we going to assist?

Here is one way in which this government can take the people of the province into its confidence, and co-operatively work together for a solution of a problem that we will all acknowledge is serious. We in Ontario today, all of us, want good housing facilities for all the people of Ontario, particularly for those persons on low incomes.

As I said, it will be my opportunity to speak again on the budget, and I hesitate to take more time than I have already taken to discuss some of the issues that have been put in focus by the debate thus far.

I simply conclude by saying that it is my pleasure to be permitted to join in this debate. I have tried to be provocative to a point, and I hope that I have made some slight contribution to the development of the debate thus far.

Mr. J. A. McCue (Lanark): Mr. Speaker, in rising for the first time as a new member, I should like first to add my appreciation of the dignity and fairness with which the Speaker conducts the affairs of this House.

This is particularly apparent to me because I entered the Legislature of this great province of Ontario with the viewpoint of a newcomer.

I wish also to advance my congratulations to the hon. member for Middlesex South (Mr. Allen) on his appointment as deputy Speaker, a position which he has filled with grace and distinction even in the short time which has elapsed in this session.

I desire further, as a new member, to extend my appreciation to hon. members of all sides of this House for the kindness and friendship which has been extended to me on my entry into the Legislature.

This has been apparent from the hon. Prime Minister (Mr. Frost), the hon. members of the cabinet, the seasoned hon. veterans of many a doughty battle in this House, both of my own party as well as of the Opposition parties, and from the other hon. members who, like myself, are entering into this political scene for the first time.

I would like to direct my first remarks, Mr. Speaker, toward the subject closest to my heart, the county of Lanark and the people in it who chose to extend me the honour of being their representative in this Legislature. It is my desire to tell this Legislature some of the interesting facts about this great riding, and to speak on behalf of the needs and aspirations of the people of Lanark.

Lanark is indeed a historic riding. Settlements on a small scale commenced near the end of the eighteenth century. The era following the Napoleonic war saw the first great influx of settlers into Lanark county. These people were of sturdy Scottish, Irish, and English stock and to this day their descendants form over 90 per cent. of the racial distribution in the riding.

Particularly since World War II, however, we have seen fit to welcome into the riding many new Canadians of European origin. These people have been received in the true spirit of democracy which exists today in Canada, and have become good friends and neighbours.

Yet, many fascinating links with mainly the Scottish and Irish origin of so many of the people remain, and in many parts of the county there are people who speak with the soft Scottish burr of their ancestors, and a bit of the Irish brogue and sayings may still be detected. On occasion, there is an inherent lob of the Scottish and Irish reels of their ancestors to be noted at rural dances.

From the labours and efforts of the pioneers evolved our major towns—Smiths Falls, Perth, Carleton Place and Almonte—a number of villages of which Lanark is the largest, and 12 townships.

Smiths Falls, which is my home, is a town of 9,000 people. It is situated on the Rideau river near the entrance to the beautiful chain of Rideau lakes. It has long been a most important divisional point of the Canadian Pacific Railway and was, for over a century, a producer of farm implements.

Ideally situated between the centres of Toronto and Montreal, on both the Canadian Pacific Railway and Canadian National Railways, it has attracted in the past few years a number of new industries of diversified types.

Smiths Falls is well endowed with new schools and hospitals, and due to the great programme undertaken by this progressive government, was the site chosen for the location of the Ontario hospital school, an institution containing 1,900 patients with a staff of 850 people employed.

Perth, located 12 miles away, is the county seat for Lanark. A town rich in tradition, history and architecture of the district, it is a beautiful and fascinating place well endowed with schools and hospitals.

The progressive attitude of its people was demonstrated a short time ago by the building of an airfield. Industrially, it is the seat of textiles, pharmaceuticals, shoes and other diversified types of industry. It has the facilities and ambition to become much further industrialized.

The town of Carleton Place was at one time, in the history of the community, a booming place due to the lumber trade. For many years its main industries have been textiles and the production of stoves and furnaces.

Like other areas in my county, Carleton Place has suffered due to the general slump in the textile industry, and I feel it is one of the places which requires increased industrialization. It is a farm town situated only 35 miles from Ottawa, and already is beginning to attract home owners from the capital who commute from Carleton Place to their work in Ottawa.

Almonte, located a short distance from Carleton Place, while having some diversification of industry, has felt the impact of the slump in textiles. It is a picturesque town, possessing I believe on its river the only set of illuminated falls at night apart from Niagara. Nearly 200 residents of Ottawa have settled in Almonte over the past several years, and commute from their homes to the capital daily. Almonte is another town which is anxious for increased industrialization.

What are the needs for Lanark for which I speak? They are these, and I relate them with full appreciation for the many great advancements extended to the county of Lanark by this great government of Ontario in the past. But I relate them because we in Lanark are an ambitious people looking forward to further development for our county in the future.

In the rural areas there are many needs, but perhaps the two greatest are the further development of roads and hydro.

The change which has taken place in our road system since this government assumed power in 1943 has been very great and for this assistance we are extremely grateful. However, Lanark is a big county, and we have great need for even further development of our roads so that transportation in our rural areas may be always further bettered.

Due to the forward and advanced policies of our Ontario Hydro Electric Commission, hydro will now become available in the less densely populated areas. Our ultimate aim in Lanark county is to see no more lamps in the kitchens nor lanterns in the barns.

In the urban centres and villages, our ambition is increased industrialization. With the vast St. Lawrence seaway nearing completion, and the great increase of electrical power therefrom, it should result in eastern Ontario becoming the golden triangle of Ontario, as it has indeed already been termed.

The towns of Lanark county are therefore ambitious and anxious to acquire all the new industry possible as this great eastern part of the province develops. They have the sites and facilities to deal confidently with new industry as it locates in eastern Ontario. This feeling, I am sure, is shared mutually by the good hon. members representing ridings in eastern Ontario, as this state of affairs applies to their ridings in this part of the province.

In conclusion, I may say that it is our hope and our aim, as hon. members from the east, to do all in our power to make eastern Ontario a great industrial part of this great province.

Mr. G. F. Lavergne (Russell): Mr. Speaker, in rising to take part in this debate, it is indeed a privilege, a pleasure and an honour to add my words of tribute to those of my fellow hon. members of the House who have preceded me in saying to you that we really appreciate and respect the manner in which you conduct the business of this House.

I would say this, that you have set such a standard that, in the future if any other Speaker lives up to it, he will be in a very high category indeed.

To the deputy speaker (Mr. Allen) I say this, that the choice of this House could not have been a better one, one that was accepted by all the hon. members of this House and to him we extend our congratulations.

Mr. Speaker, I would like to extend to the hon. member for Peel (Mr. Kennedy), the mover of the adoption of the speech from the Throne, and my good friend the hon. member for Glengarry (Mr. Guindon), who seconded the motion, my deepest congratulations and say that they did a magnificent job.

Mr. Speaker, it is my fondest hope and greatest desire that, regarding some of the wisdom and some of that know-how that is so prevalent in that honoured member for Peel, if in any way some of it could brush off onto me through my association with him,

I indeed would appreciate it, and I would say that it would make me a better hon. member indeed.

I have listened and paid attention with great interest to the wild rantings of the Opposition—

Mr. MacDonald: Obviously the hon. member is going to add to that.

Mr. Lavergne: —and I would like to draw this to their attention. They say that this government is not doing what is right for the people of Ontario. I would like to draw to their attention—although I should not have to, they are mindful of it, although they do not like to speak about it, in fact they hope to forget about it and it is this—that in the last year we had no less than 4 by-elections in this great province and the proof is there, Mr. Speaker. I say the wild rantings of this Opposition fall on deaf ears in the province of Ontario, because each and every hon. member who was returned, and returned with substantial majorities, were members of the Progressive-Conservative party.

Mr. P. Manley (Stormont): Some of them were close.

Mr. Lavergne: Mr. Speaker, I would like to draw something to the attention of the government, to the hon. Prime Minister and to every hon. cabinet Minister in this government, and it is this, that we in eastern Ontario—and when I say eastern Ontario I forget some of the ridings, but I would start from Kingston, and include Renfrew, Frontenac, Lanark, Leeds, Carleton, Grenville, Dundas, Russell—I will even include Stormont in that—

Mr. Manley: Good for the hon. member.

Mr. Lavergne: —Stormont, Prescott and Glengarry, and I will say to you, Mr. Speaker, and through you to the hon. Prime Minister and the hon. members of this cabinet, that eastern Ontario has the utmost of confidence in this government, that eastern Ontario has been a loyal friend to this government and to the hon. Prime Minister. Now that we are gaining recognition in our area, I ask the government not to let us down. I ask them to continue the work that they have started in eastern Ontario, and we the people of eastern Ontario will show our recognition by returning each and every time, to this House, members of this Progressive-Conservative party.

In making reference to Stormont, may I point out that the hon. member for that

riding sits here not because of the policies of the Liberal party, but because of his own personal, pleasurable personality.

Mr. Manley: The hon. member is very kind.

Mr. Nixon: That is a pretty good reason, I would say.

Mr. Manley: The hon. member for Russell is here only because he got in behind the hon. Prime Minister's—

Mr. Lavergne: My hon. friend, I will say this, that as long as we have an hon. Prime Minister such as we have, his is a star to which the hon. member over there and anybody else should hitch his wagon.

Mr. Wintermeyer: It is certainly the only way the hon. member for Russell would ever get in.

Mr. Lavergne: Well, that may be true, to that I may bow, but I will say this, that as long as this government continues to—

Mr. Wren: Give away bridges and roads.

Mr. Lavergne: —continues to enact legislation in human betterment for the people of Ontario, then we will continue to have a Progressive-Conservative government.

I will also say that it is going to be a long, long time before the fortunes of the Liberal party will increase in any way in this province, and as for the hon. member for York South I would say this, that the little star that he came in on is waning, and I will agree with other hon. members who have said that his will be a short stay in this House, and his will definitely be a short stay in this House.

An hon. member: Where will he go?

Mr. MacDonald: Back to teaching, they tell me.

Mr. H. C. Nixon (Brant): May I ask the hon member a question?

Mr. Lavergne: Oh, by all means, what is that? I do not know how I am going to answer it.

Mr. Nixon: Should the time come when the Liberal party is more popular, will the hon. member be supporting them again?

Mr. Lavergne: Would the hon. member for Brant repeat that?

Mr. MacDonald: He heard the first time.

Mr. Lavergne: Mr. Speaker, frankly I did not hear the question, and I would ask the hon. member to repeat it.

Mr. MacDonald: He would be more embarrassed if he did hear it.

Mr. Nixon: I asked the hon. member, and I think he heard me, should the time come when the Liberal party is more popular with the electorate, would he be supporting them again?

Mr. Lavergne: I would say there is no better time than now to set the record straight and it is this, that I have oftentimes said that I personally came from a long line of Liberals, I never at any time said that I myself supported the Liberal government.

Mr. MacDonald: Oh, but the hon. member did.

Mr. Lavergne: Oh, the hon. member would be so surprised that from my time—I am not too old, as hon. members know, although I may look it—from my time the type of government that the Liberals were giving to this country and to this province was such that no sane person would have supported them.

Mr. MacDonald: He just wanted the potholes in the main street of Eastview filled after years of waiting, so he switched to the government and got them filled.

Mr. Lavergne: Mr. Speaker, I will agree with the hon. member on that. While the Liberals were in power in the province of Ontario, and while they were in power in Ottawa—that great Liberal family that was to do so much for the people of this country—while that was going on, I will agree with the hon. member for York South that the main street in Eastview, which is part of the Trans-Canada Highway today, was nothing but potholes. I will agree with him.

I will say, like him, that it was only when the Progressive-Conservatives came into power that they did fix, not only the Montreal road which is part of ours, but fixed all the highways in the province of Ontario, fixed the roads that this Liberal government had taken over—hundreds of miles—that was one of the provincial Liberal promises, they took over hundreds of miles of county roads and said: “We will take that away from the counties.”

That was wonderful, my hon. friends, they took it away from the counties, and what did they do with them? Nothing. One could drive

better along the ploughed fields than he could along the county roads, or supposedly county roads, that the Liberals had taken over, and it is only since this government has come into power that each and every year they have increased their assistance and are completing these roads taken over under the system by that “great” Liberal party.

Mr. MacDonald: In other words, his—

Mr. Lavergne: I wish the hon. member would speak a little louder, I find him interesting.

Hon. Mr. Nickle: He is probably down one of those potholes.

Mr. Lavergne: Mr. Speaker, before going on further in that which I have to say, I would like to draw the attention of the House to one point, I believe it was mentioned last year by the hon. Minister of Public Welfare (Mr. Cecile) who pointed out that last year, for the first time I believe in the history of this House, and again this year, the one and only daily French newspaper was represented in this House. I would say that is a wonderful innovation. I am sure that every hon. member appreciates that. While on the subject, I would say that, regardless of our radio programmes, regardless of our television programmes, that which reaches the greatest number of homes today, and has in the past, is our daily newspaper. And I think we owe much to them, whether they agree or disagree with that which we may have to say, but at least they bring it in proper form to the people of this great country.

In speaking on this matter of newspapers, Mr. Speaker, and listening to the hon. member for Waterloo North (Mr. Wintermeyer) in speaking on the matter of education, and I am not going to get into any controversy over it, but I would like to say that I was interested in the thinking of the French-Canadian people in the province of Ontario through their paper, *Le Droit*, and this is what they had to say, that in the matter of education in the province of Ontario and of the loans as pointed out by the hon. Minister of Education (Mr. Dunlop), *Le Droit*, which has never been accused of being a Conservative paper—it has often been accused of being a Liberal paper—that it has this to say, that if every province in the Dominion of Canada were to follow the example set by the hon. Minister of Education and this provincial government in Ontario, our fears would be allayed in the matter of education and for higher education, and they pressed it strongly upon the other provinces to follow that which our govern-

ment has seen fit to do just a few short days ago.

Now, Mr. Speaker, as I sat here and listened—I always listen to the hon. member for Waterloo North—I find there are many points on which I may agree, and many on which I disagree. But I say this to the hon. member that when he spoke about this nation, saying this country could become a second-class nation—I believe that was the term he used, I may be wrong, but that is what I caught—that he need have no fear, and I need have no fear, that as long as we have Canadian citizens with the heart and courage that we have today, we need have no fear of this great Dominion of ours ever becoming a second-class nation.

Mr. Wintermeyer: Will the hon. member permit a question? Is he at all concerned about the figures that I related in regard to attendances at the Ontario College of Education at the present time?

Mr. Lavergne: I would say that I am greatly concerned.

Mr. Wintermeyer: Well then, if the hon. member is greatly concerned—

Mr. Lavergne: But I say this to the hon. member, that when the need arises, and I will agree that the need has arisen, and I am sure the hon. member will agree with me, unless he is tied to the apron strings of the Liberal policies—that the forward step taken by this government is a firm and a giant step in the right direction.

I am sure the hon. member will also agree with me that, as long as we have this type of citizen that we have in Canada, we will never under any circumstances become a second-class nation. I am sure the hon. member will agree with me.

Mr. Wintermeyer: Certainly, I will agree with the hon. member.

Mr. Lavergne: Well, that is all I wanted to put over, Mr. Speaker.

Mr. Wintermeyer: My question is simply this: Who advocated these loans in the first place?

Mr. Lavergne: Who did?

Mr. Wintermeyer: Yes, who did?

Several hon. members: The CCF! The CCF!

Mr. Speaker: Order!

Mr. Lavergne: I will say this to the hon. member for Waterloo North, and I think he

knows it, that this government is not a self-centred government. It is a government that will take the opinions of all people, and then formulate a policy that is best for this country or this province.

I am sure that as long as I have been sitting in—well, as the hon. member says, the back-benches—I am proud to be a back-bencher in this government. I would rather be a back-bencher on the Progressive-Conservative side of the House, than to be right up in the exalted place that the hon. member for York South holds in the front benches, especially with the CCF.

Hon. Mr. Frost: There are no back-benchers in this chamber. They are all front-benchers.

Mr. Lavergne: I am sorry the hon. member for Bruce (Mr. Whicher) is not in his seat, because he is a very close friend of mine. The only thing we differ on is that the policies that he embraces differ from those I embrace. But I would say to the hon. member that I am disappointed in him, because he rises on many an occasion and says that he was mayor of Wiarton which is, I believe, a wonderful municipality, and I can assure hon. members that with people such as my friend coming from there it must be a wonderful place. He criticized the government for the amount of money that the hon. Prime Minister made a statement about last Friday for municipal aid and aid for the unemployed. He goes around in a roundabout way and says that the government is only paying so much.

Well, let us get down to facts and figures. The government is paying 70 per cent. of all the additional labour, and I see the hon. member for Waterloo North looks, and I am sure he will agree, that 70 per cent. is 70 cents on every dollar, is that right? Of all the money that is going to be expended to help the people in this unemployed category, this government is paying that 70 per cent., and I will say this, and the hon. member who lays claim to knowing so much about municipal matters, he will agree with me that it is very seldom that there is not some work that will have been set aside, or something that will not have been proceeded with, because of the amount of money involved for the labour.

Mr. Oliver: Completing a bridge in winter.

Mr. Lavergne: I am sure that he will also agree with me that labour today is the big cost factor in any project. I believe he will agree with that.

Mr. MacDonald: Filling pot holes. Unskilled labour.

Mr. Lavergne: Mr. Speaker, I see they all agree with me that labour is paramount in the cost of anything that is going on today, and I am sure they will also agree that it was a great step towards helping the employment situation in this province.

Mr. MacDonald: Not very enthusiastic—

Mr. Oliver: Let us say it was a step and let it go at that.

Mr. Lavergne: Well, the hon. leader of the Opposition will agree it is a forward step, and that if the situation was reversed, and if those hon. members were sitting on this side instead of this government, that the step they would have taken would have been a backward one.

Hon. Mr. Frost: They have been going back for years.

Mr. Manley: Would the hon. member permit a question at this time?

Mr. Lavergne: Certainly, I could listen to the hon. member all day.

Mr. Manley: The question is this: Is the municipality of Eastview going to avail themselves of the opportunity of getting into this forward step?

Mr. Lavergne: I say to the hon. member that the municipality is not going to, it has.

Mr. MacDonald: That is another first.

Mr. Lavergne: There are nothing but firsts in this government, the hon. member must admit it.

Mr. Speaker, I, like the hon. member for Waterloo North, will say that I do hope to have the opportunity of preparing something for the budget debate, and if I would be permitted—and Mr. Speaker, I will accept your ruling, I may be out of order, and should I be out of order I will accept that ruling—but I would like to draw to the attention of this House a few things that we see, that we hear, and that we even listen to from across the House.

I have listened to the hon. member for York South, when he has accused this government of being "in cahoots," I believe that is the word he has used, he has accused this government of crawling into bed with the Liberals—

Mr. MacDonald: What bed did the hon. member crawl into?

Mr. Lavergne: Mr. Speaker, I cannot speak for the government, but I definitely can speak for myself, and in this instance I am going to.

To the hon. member for York South, I would say that if at any time he ever accuses me of crawling into bed with the Liberals I will say that I would rather be in bed with the Liberals any time than even close to the bedside of the CCF party.

Mr. Speaker, I am sure that all hon. members of the Opposition will agree to this, that a great Liberal once said that the CCF'ers were Liberals in a hurry.

Mr. MacDonald: I think they are Tories in a hurry.

Mr. Lavergne: I think the hon. member for York South will agree to that, though, he is in very agreeable nature today, he will agree with that. And let me say to every hon. member in this House, that if ever this country needed—and I am speaking of the country—that if ever this Dominion of Canada needed a Progressive-Conservative party, it needs it now.

I will say this, Mr. Speaker, that that which the CCF and the Liberals have in common is this, they endeavour to centralize everything, they believe in this, they believe that it should be just one government, one party, everything centralized—

Mr. MacDonald: Oh Maurice, Oh Maurice—

Mr. Lavergne: Let me say to my hon. friend that this is a very wonderful name he has spoken. If he is making reference to the hon. Prime Minister of Quebec, then I would say that he has raised a very worthy name in this House.

Mr. Macaulay: Particularly among CCF hon. members.

Mr. Lavergne: Over in Quebec they do not call them CCF. They are ashamed of that name the CCF, they are ashamed of it. They call it—

An hon. member: I hope he will use parliamentary language.

Mr. Lavergne: Mr. Speaker, I would sound this as a warning, now let it be construed as it may, let it be used as it may, but I will say this to every hon. member of this House, that if at any time they had any compassion or any thought about this great Dominion of ours, I would say to each and every one of them, "get out and support your Progressive-Conservative candidate in the next election."

I would say that for this reason, Mr. Speaker, that we have seen in the past, not too long ago, some 22 years of domination by a party that was drunk with power, sitting up in an ivory tower in Ottawa; that forgot about the needs and wants of the people of this country; that endeavoured to have control of this great country and to make it a one-party system—no opposition but just one party.

I would say this to you, Mr. Speaker, if they or the CCF ever come to power, then you will live to rue the day and you and your children, and your children's children will live to rue that day, that I will live to rue that day, and my children's children, because if that happens, in this land, this great world of ours, there will be two countries with only one government and that will be Russia and Canada.

Mr. MacDonald: Just imagine that.

Mr. Lavergne: Imagine, I would say to my hon. friend. He has a great imagination. I hope that the day never comes when that will happen in this great country of ours. I know that the people of Canada are far too intelligent for that. As they are in the province of Ontario, so they are throughout this great land of ours.

I would say this, that at the present time the people of this land know that the only salvation for this great country is in the return of hon. John Diefenbaker and the Progressive-Conservative government.

Mr. Wintermeyer: The French Canadians did not like him to begin with.

Mr. Lavergne: I would say this to my hon. friend from Waterloo North (Mr. Wintermeyer), that the French Canadians of this country are great admirers of hon. John Diefenbaker. I speak as a French Canadian, and I know the thoughts of my compatriots. I will say this to my hon. friend, that the good people of the province of Quebec will return at least 25 to 30 members with the next Diefenbaker government.

Hon. Mr. Frost: That is the minimum.

Mr. Lavergne: That is the minimum, of course.

Some hon. members: Hear, hear!

Mr. MacDonald: They are hard up for something to clap about.

Mr. Lavergne: Mr. Speaker, for the information of the hon. member for York South, I will say this, that I come from a great riding

where the two basic tongues are spoken, where we have many other races. My riding is a place from where this great country of ours could tear a page of history. In that great county the French and the English work side by side. They live side by side, they work side by side, and they think side by side, and the proof of that is this, Mr. Speaker, that those two great basic races in our riding always think intelligently and in doing so they know they have no alternative but to support the government that will do the most for them.

They have supported the hon. Prime Minister and his Progressive-Conservative government. They have joined together in that support, and I would say, in going back to and making reference to my hon. friend from Waterloo North, I say to him, he is a great Canadian and I will say this to my hon. friend, that if he is fearful of this nation ever becoming a second-class nation, let him stand up and be counted, and support hon. John Diefenbaker. Then he will not have to worry about it.

An hon. member: At such a price—

Mr. Lavergne: That, let me say to my hon. friend, will be not a price but a privilege, and I am sure that we in the Progressive-Conservative party will welcome all hon. members of the Opposition if they get out and speak, and work, for this great country. Let us set aside party politics to get out and support the one truly great Canadian, hon. John Diefenbaker.

Mr. Nixon: Lester Pearson is a greater one.

Mr. Morrow: Who is he? We have never heard of him.

Mr. Lavergne: Well, I would not want to make any disparaging remarks about hon. Mr. Pearson. He is a great Canadian, but I will say this to him, and I will say this to my hon. friends over there, I respect each and every one of them. If they come into this House with great ideals—

An hon. member: Let us not overdo it.

Mr. Lavergne: —here is the difference between these two parties, the Progressive-Conservative and the Liberals—hon. Liberal members must pledge their allegiance to the Liberal party, they have to sit down and be dictated to, they have to get out and speak about what the Liberals have to say, and that is where hon. Mr. Pearson is today. Although he himself is a great Canadian, we

saw that in the House of Commons he passed that motion, one that was pathetic in all its sense—

Mr. Nixon: He never passed it.

Mr. Lavergne: At least he tried. I am sorry, I was corrected. As my hon. friend said, it passed the conference and that is as far as it got, but I would say this, that even the most naive could not accept that. The hon. Liberal members today are in poor straits, because the Liberals are falling away and are becoming, I would say—

An hon. member: They have seen the light.

Mr. Lavergne: They have seen the light. That would be the best thing, and in seeing the light, they have turned over to support the Progressive-Conservative party.

Mr. MacDonald: Does the hon. member know what they did in Port Arthur?

Mr. Lavergne: Would the hon. member please repeat that? Mr. Speaker, I would like to hear this because I find it interesting, if he would only speak a little louder.

Mr. MacDonald: He heard me the first time.

Mr. Lavergne: No I missed that and I really enjoy it.

An hon. member: It did not sound any better the first time.

Mr. MacDonald: The hon. member for Russell has only 15 minutes to fill. Let him go ahead.

Mr. Lavergne: To my hon. friend, about filling 15 minutes, I would say this, that if anybody took up the time of this House in every shape and form of such nonsensical tripe—I may be wrong, I do not know if I should say that, whether it is parliamentary or not—but I would say that my hon. friend from York South is a master at it. He is the champion of champions.

Mr. MacDonald: I do not think that a back-bencher should malign his own hon. Prime Minister, because he was awfully bothered with a lot of this nonsensical tripe.

Mr. Lavergne: I would say this to my hon friend, that every time the hon. Prime Minister gets up, the hon. member for York South is learning something, but every time the hon. member gets up, he says nothing but nonsense. That is the difference.

Mr. MacDonald: Fifteen more minutes of verbal garbage. Go ahead.

Mr. Lavergne: The hon. member will tell it if I do not.

Mr. Grossman: Why, one-third of the CCF party here is in the back benches.

Mr. Lavergne: I would say this. I see that two-thirds of the party have folded their seats, and I do not know why.

Mr. MacDonald: The hon. member is finished but he does not know it.

Mr. Lavergne: I would say this, that if I was ever as finished as he and his party, I would walk out of this House.

Mr. MacDonald: This is the height of the session.

Mr. Lavergne: This is, and perhaps if the hon. member will listen, he will learn something.

Mr. Speaker, in all sincerity and all seriousness I will say this, that through my short stay in this House—and before my hon. friend from York South says it is going to be a shorter one, may I say I hope it is going to be a long one—through those short years I have gained something here that very few people are privileged to acquire. It is this—the friendship of this House, whether it be on the government or on the Opposition side, and I do hope this, Mr. Speaker, and it is in all sincerity—I do hope that these friendships will stay with me for all time.

I know that I have gained a lot through my association with each and every hon. member of this House, and I pray God that some day I can put to good use that which I have gained, the knowledge that I have gained, through my association with every hon. member.

In resuming my seat, I say this, that never in the history of this great province has any government taken to heart the requirements of the people of Ontario, and stepped out with a very firm step in the right direction to look after them. I am sure that every hon. member of this House will agree that the only government which could have done it is the government of which I am proud to be a part.

Hon. Mr. Nickle moves the adjournment of the debate.

Motion agreed to.

THE HOSPITAL SERVICES COMMISSION ACT, 1957

Hon. Mr. Frost moves third reading of Bill No. 45, "An Act to amend The Hospital Services Act, 1957."

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before you put the motion, may I say that his Honour the Lieutenant-Governor (Mr. Mackay) has agreed to give assent to this bill tomorrow. This bill, I think, makes possible the completion of the agreement between Canada and Ontario which will be signed within a very few days.

Mr. F. R. Oliver (Leader of the Opposition): On that point, may I inquire of my hon. friend, when the agreement is signed between Canada and the province of Ontario in relation to hospital insurance, will it be required, or will it be deemed expedient, that the agreement be validated by the Legislature?

Hon. Mr. Frost: Mr. Speaker, I would say that actually, in the terms of our Act, in section 15 thereof, I do not think that any validation is necessary. But I am not adverse to validating the Act, and it may be that legislation will be brought in subsequently to do that.

I would say that, of course, as hon. members will have noted in the provisions of the statute as it now is, the form of the hospital bill, or the agreement regarding the hospital insurance itself, is really by the way a formulation of orders-in-council, under the section that I mentioned.

Now, of course, those orders-in-council have to be subject to amendment from time to time to meet varying conditions. They must be within the term of the federal statute, and if they are outside of those terms, then of course the province would deprive itself of any subsidy or contribution from federal sources.

The agreement itself is a very lengthy document, but it is to a very large extent enabling legislation to permit the carrying out and the operation of an insurance scheme within the ambit of the federal offer which is contained in the federal Act.

I would say that, as soon as the agreement is completed, I shall certainly table it here with the regulations that are enacted to date, or that will be enacted to that time, and if it is necessary to have any validation, then that can be done.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House, may I say that tomorrow we shall proceed with the Throne debate, and also with bills that are on the order here. I move the adjournment—

Mr. H. C. Nixon (Brant): Before we adjourn, would I be in order to ask a question of the hon. Prime Minister? I am sure he will not object.

I noticed in the front page of this afternoon's *Toronto Daily Star*, which I had not seen before I entered the House, this heading: BAR PEARSON'S SPEECH, HEAR HIM OFF THE CAMPUS, OAC STUDENTS WARNED.

It appears that a group of students—I do not know whether or not it is a political club—requested permission that hon. Mr. Pearson appear at the college, as I presume he did at the University of Toronto last Saturday. They went to the principal of the college with that request. They were told by the principal that authority to grant permission was not in his hands.

Well then, in whose hands would it be to grant permission for hon. Mr. Pearson to go to the Ontario Agricultural College? Because it was not in the principal's hands, he refused to grant permission to Mr. Pearson to go there to meet the students.

Hon. Mr. Frost: Well, I may say, Mr. Speaker, that I never heard of the situation before. I have not the slightest objection to Mr. Pearson meeting the students or any group of students, none whatever. I have no objection, and if it is referred to me I can assure the hon. member that it will be a free right-of-way.

Mr. D. C. MacDonald (York South): Mr. Speaker, I just want to add this briefly, that if the hon. Prime Minister has not heard of it before, let me emphasize that it has existed before. In my 4 years in the province of Ontario I have never yet been able to have a CCF meeting on the campus at the Ontario Agricultural College, because it is widely accepted that it would be either not permitted or inadvisable.

I think that this headline here today was to the effect that it was inadvisable, and that it would be better to go off the campus.

I think that it would be a very good thing if the hon. Prime Minister would state, without any qualification, that the citizens or the students on the campus at the agricultural college are first-rate citizens who can participate in political activity at the discussion level instead of being fearful of doing it as has been the case in the past.

Hon. Mr. Frost: I would say, Mr. Speaker, that I have no objection to the students listening to my hon. friend from York South, I think that they are brave and can stand it.

But I think probably the point that has arisen over the years—I suppose going back to the beginning of things—is that the Ontario Agricultural College is a school which is completely paid for by the people of Ontario, and it may be that in the school itself there is some rule or some understanding that politics on the part of various people or parties is excluded from the campus.

Now, that may be one of the unwritten rules of the institution, I do not know. But for myself, I have no objection. I believe in a sort of free-wheeling attitude in connection with these things. I have not the slightest objection.

But the matter has never been referred to me, and I can assure my hon. friend that, if my sympathies entered into the matter, it would be entirely the other way.

On the other hand, I do not want to offend against some rule they have at the college. As my hon. friend knows, the people of the agricultural college—including the graduates—have their own traditions and so on, and far be it from me to interfere with them. I would not do that.

But if it is referred to me, I can assure hon. members that my position would be as stated.

I move the adjournment of the House.
Motion agreed to.

The House adjourned at 6.00 of the clock p.m.

to be made of the same material as the
other two, and to be of the same size
and shape as the other two.

On the 1st of March, I left New York
for Philadelphia, and on the 2nd of
March, I arrived in Philadelphia.

On the 3rd of March, I left Philadelphia
for Washington, and on the 4th of
March, I arrived in Washington.

On the 5th of March, I left Washington
for New York, and on the 6th of
March, I arrived in New York.

On the 7th of March, I left New York
for Philadelphia, and on the 8th of
March, I arrived in Philadelphia.

On the 9th of March, I left Philadelphia
for Washington, and on the 10th of
March, I arrived in Washington.

On the 11th of March, I left Washington
for New York, and on the 12th of
March, I arrived in New York.

On the 13th of March, I left New York
for Philadelphia, and on the 14th of
March, I arrived in Philadelphia.

On the 15th of March, I left Philadelphia
for Washington, and on the 16th of
March, I arrived in Washington.

On the 17th of March, I left Washington
for New York, and on the 18th of
March, I arrived in New York.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Thursday, February 20, 1958

Speaker: The Honourable A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1958



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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, FEBRUARY 20, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Clerk of the House: Mr. J. A. Maloney, from the standing committee on private bills, presents the committee's first report as follows, and moves its adoption:

Your committee begs to report the following bills without amendment:

Bill No. 2, An Act respecting the separate school board of the town of Lindsay.

Bill No. 4, An Act respecting Huron College.

Bill No. 6, An Act respecting the township of Grantham.

Bill No. 8, An Act respecting the township of London.

Bill No. 14, An Act respecting the township of Chinguacousy.

Bill No. 15, An Act respecting the Canadian Pacific Railway Company.

The committee would recommend that the fees less the penalties, and the actual cost of printing, be remitted on Bill No. 4.

The committee would also recommend that the fees less the penalties, and the actual cost of printing, be remitted on Bill No. 15, 1957, An Act respecting the Community Chest of Greater Toronto passed at the third session of the Legislature.

Motion agreed to.

Clerk of the House: Mr. R. E. Sutton, from the standing committee on standing orders, presents the committee's second and final report, and moves its adoption.

Your committee has carefully examined the following petitions and finds the notices as published in each case sufficient:

Petition of the corporation of the city of Waterloo, praying that an Act may pass enlarging the representation of the rate-payers on the civic auditorium commission.

Petition of the corporation of the city of Chatham, praying that an Act may pass authorizing the corporation to subsidize the bus system in the city, and for other purposes.

Petition of the corporation of the village of Port Perry, praying that an Act may pass authorizing the issue of debentures for the construction of a water supply system.

Petition of the Royal Victoria Hospital, Barrie, praying that an Act may pass enabling municipalities served by the hospital to pass by-laws for grants-in-aid of the hospital.

Petition of the corporation of the village of West Lorne, praying that an Act may pass authorizing debentures for the construction of drainage works.

Petition of the corporation of the town of Thorold, praying that an Act may pass defining the existing boundaries of the town, and for other purposes.

Petition of the corporation of the city of London, praying that an Act may pass empowering the corporation to acquire land outside its corporate limits for the purpose of parking motor vehicles, and for other purposes.

Petition of the corporation of the city of Windsor, praying that an Act may pass enlarging the borrowing powers of the Metropolitan General Hospital board, and for other purposes.

Petition of the Lakeshore district board of education, praying that an Act may pass reconstituting the board.

Petition of the board of education for the township of North York, praying that an Act may pass enlarging the powers of the board with regard to pensions to non-teaching employees.

Petition of St. Michael's College, praying that an Act may pass continuing the college in federation with the University of Toronto, as the University of St. Michael's College, and making other provisions in relation to this purpose.

Petition of the Canadian National Exhibition Association, praying that an Act may pass empowering the Minister of Agriculture to delegate another member of his department, who is a member of the association, to act in his place on the board of directors.

Petition praying that an Act may pass incorporating the chartered institute of secretaries of joint stock companies and other public bodies in Ontario.

Petition of the executors and trustees of the Melville Ross Gooderham estate, the Kathleen Isabel Drope trust, and the Charlotte Ross Grant trust, praying that an Act may pass permitting the petitioners to sell 68,000 shares in the capital stock of the Manufacturers Life Insurance Company to the said company.

Petition of the board of education of the city of Sault Ste. Marie, praying that an Act may pass providing for a two-year term for members of the board.

Petition for the synod of Toronto and Kingston of the Presbyterian Church in Canada Limited, praying that an Act may pass enlarging its powers and deleting the word "limited" from its corporate name.

Petition of the South Peel board of education, praying that an Act may pass reconstituting the board.

Petition of the corporation of the town of Fort Frances, praying that an Act may pass authorizing a pension plan for employees of the corporation or any board thereof and their families.

Petition of the corporation of the township of Sunnidale, praying that an Act may pass authorizing a debenture issue to pay the cost of construction of a community hall at the village of Lowell.

Petition of the corporation of the village of Long Branch, praying that an Act may pass confirming a by-law equalizing special assessments for road construction in the village.

Petition for the corporation of the city of Ottawa, praying that an Act may pass authorizing it to fluoridize its municipal water supply, and for other purposes.

Petition of the corporation of the city of Fort William, praying that an Act may pass authorizing a pension plan for employees of the city, boards thereof and their families.

Petition of the corporation of the city of Hamilton, praying that an Act may pass enabling the council of the corporation to pass by-laws regulating the external design of buildings adjoining highways, and for other purposes.

Petition of the corporation of the city of Niagara Falls, praying that an Act may pass authorizing a pension plan for employees of the corporation, boards thereof, and their families, and for other purposes.

Petition of the corporation of the city of Sault Ste. Marie, praying that an Act may pass providing a two-year term for members

of the public utilities commission and the memorial gardens commission.

Petition of the United Community Fund of Greater Toronto, praying that an Act may pass authorizing by-laws as to the manner of giving notice of meetings of its members.

With regard to the petition received by the House last Monday from Anson House and the city of Peterborough. This application having been withdrawn before the introduction of the bill, and as no expenses have been incurred, your committee recommends refunding the deposit of \$350, forwarded on account of fees and penalties.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

BOARD OF EDUCATION FOR NORTH YORK

Mr. T. Graham moves first reading of bill intituled, "An Act respecting the board of education for the township of North York."

Motion agreed to; first reading of the bill.

CITY OF SAULT STE. MARIE

Mr. C. H. Lyons moves first reading of bill intituled, "An Act respecting the city of Sault Ste. Marie."

Motion agreed to; first reading of the bill.

VILLAGE OF PORT PERRY

Mr. R. J. Boyer moves first reading of bill intituled, "An Act respecting the village of Port Perry."

Motion agreed to; first reading of the bill.

BOARD OF EDUCATION FOR SAULT STE. MARIE

Mr. Lyons moves first reading of bill intituled, "An Act respecting the board of education for the city of Sault Ste. Marie."

Motion agreed to; first reading of the bill.

CANADIAN NATIONAL EXHIBITION ASSOCIATION

Mr. A. G. Frost (Bracondale) moves first reading of bill intituled, "An Act respecting the Canadian National Exhibition Association."

Motion agreed to; first reading of the bill.

TOWN OF THOROLD

Mr. E. P. Morningstar moves first reading of bill intituled, "An Act respecting the town of Thorold."

Motion agreed to; first reading of the bill.

CITY OF WATERLOO

Mr. J. J. Wintermeyer moves first reading of bill intituled, "An Act respecting the city of Waterloo."

Motion agreed to; first reading of the bill.

CITY OF FORT WILLIAM

Mr. G. C. Wardrope moves first reading of bill intituled, "An Act respecting the city of Fort William."

Motion agreed to; first reading of the bill.

ESTATE OF

MELVILLE ROSS GOODERHAM,
KATHLEEN ISABEL DROPE TRUST,
AND CHARLOTTE ROSS GRANT TRUST

Mr. R. Macaulay moves first reading of bill intituled, "An Act respecting the estate of Melville Ross Gooderham, the Kathleen Isabel Drope trust, and the Charlotte Ross Grant trust."

Motion agreed to; first reading of the bill.

CITY OF CHATHAM

Mr. G. W. Parry moves first reading of bill intituled, "An Act respecting the city of Chatham."

Motion agreed to; first reading of the bill.

LAKESHORE DISTRICT BOARD OF
EDUCATION

Mr. W. B. Lewis moves first reading of bill intituled, "An Act respecting the Lakeshore district board of education."

Motion agreed to; first reading of the bill.

TOWN OF EASTVIEW

Mr. G. F. Lavergne moves first reading of bill intituled, "An Act respecting the town of Eastview."

Motion agreed to; first reading of the bill.

SOUTH PEEL BOARD OF EDUCATION

Mr. T. L. Kennedy moves first reading of bill intituled, "An Act respecting the South Peel board of education."

Motion agreed to; first reading of the bill.

ST. MICHAEL'S COLLEGE

Mr. J. Yaremko moves first reading of bill intituled, "An Act respecting St. Michael's College."

Motion agreed to; first reading of the bill.

ROYAL VICTORIA HOSPITAL OF BARRIE

Mr. G. G. Johnston (Simcoe Centre) moves first reading of bill intituled, "An Act respecting the Royal Victoria Hospital of Barrie."

Motion agreed to; first reading of the bill.

CITY OF OTTAWA

Mr. D. H. Morrow moves first reading of bill intituled, "An Act respecting the city of Ottawa."

Motion agreed to; first reading of the bill.

CITY OF LONDON

Mr. J. P. Robarts moves first reading of bill intituled, "An Act respecting the city of London."

Motion agreed to; first reading of the bill.

VILLAGE OF LONG BRANCH

Mr. H. L. Rowntree moves first reading of bill intituled, "An Act respecting the village of Long Branch."

Motion agreed to; first reading of the bill.

THE TELEPHONE ACT, 1954

Hon. W. A. Goodfellow moves first reading of bill intituled, "An Act to amend The Telephone Act, 1954."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, these amendments provide for the re-constituting of the telephone authority and providing for remuneration.

THE STALLIONS ACT

Hon. Mr. Goodfellow moves first reading of bill intituled, "An Act to amend The Stallions Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, with the decline in the horse population in the province, this amendment permits that the order-in-council be exempt from the application of the Act for those horses for which the Act no longer serves a useful or necessary purpose.

THE JAILS ACT

Hon. M. B. Dymond moves first reading of bill intituled, "An Act to amend The Jails Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the purpose of this amendment is to bring the Act into line with the realism of today. In the present Act, the principal officer in the jail set-up is the inspector. This no longer obtains, the deputy minister is the chief official now, so "inspector" has been changed throughout the Act to read "deputy minister."

The next part deals with the fact that we are proposing to relieve the sheriffs of counties of responsibilities towards the jail. This was a recommendation of the select committee of this House in 1954. It has also been recommended by The Department of the Attorney-General, The Department of Municipal Affairs, and the Provincial Treasurer's Department.

The third amendment is with regard to the cost of the transfer of prisoners. At the present time we may collect, from the municipality concerned, the cost of transference of the prisoner, plus 60 per cent. This has come to be something of a nuisance to the municipalities now, and we propose to remove that burden from them.

THE SANATORIA FOR CONSUMPTIVES ACT

Hon. M. Phillips moves first reading of bill intituled, "An Act to amend The Sanatoria for Consumptives Act."

Motion agreed to: first reading of the bill.

He said: Mr. Speaker, this amendment involves two principles. The first one is that, at the present time, municipal boards of health are required to provide living and other expenses of former patients of sanatoria who are

indigent, and who have recovered to such an extent that they may receive care and treatment outside of the sanatorium.

This new subsection authorizes the province, through The Department of Public Welfare, to reimburse municipalities, in whole or in part, for such expense.

The second principle is that these amendments increase the amount of burial expenses that the municipality, in which a deceased indigent patient lived at the time of admission to the sanatorium, must pay to the sanatorium. The increase is from \$75 to \$125.

I may say that this brings the amount into conformity with the corresponding situation under The Public Hospitals Act and The Mental Hospitals Act.

Mr. Speaker: Orders of the day.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I would like at this time to say something in connection with the point raised by the hon. member for Bruce (Mr. Whicher) yesterday, and in so doing might I comment, in a general way, on the subject of what we might call an attitude of mind, or a phobia, or an illness, which is particularly current among some people in this province at this particular time. Now, Mr. Speaker, a phobia is a fear, an aversion, a dislike—indeed, it is a morbid fear.

A very extreme case of that is shown on a page of the *Toronto Globe and Mail* today, in which the statement is attributed to hon. Paul Martin that Rt. hon. Mr. Diefenbaker is an economic illiterate, one of the greatest frauds, one of the most ignorant people in this country, and an economic ignoramus. That was on the front page of the *Globe and Mail*.

Now, as I say, that was attributed to my hon. friend Paul Martin. It does not sound like him, but if he did say that, then his is one of the extreme cases that I mentioned.

Mr. F. R. Oliver (Leader of the Opposition): On a point of order—

Mr. Speaker: State your point of order.

Mr. Oliver: I can say from what knowledge I have, Mr. Speaker, that those words should not be attributed to the hon. Paul Martin. The hon. Prime Minister, who knows hon. Paul Martin as many of us do on this side of the House, knows quite well that he would not give utterance to those words.

Hon. Mr. Frost: I would say to my hon. friend that I would be very glad to accept that, but I am stating that this appeared in the press today and, of course, as I say, it

does not sound like my friend, the hon. Mr. Martin, but—

Mr. MacDonald: But the hon. Prime Minister is making political capital of it.

Hon. Mr. Frost: Oh yes, but I want to refer this time to a milder case, and that is the hon. member for Bruce, who seems to be beset by the same type of morbid fear to which I refer. On the front page of the same paper, under the heading **CRITICIZED AGAIN**, the article reads:

The Frost government winter unemployment relief measure came in for another airing in the Legislature yesterday, with the Opposition speakers insisting that the municipalities were not getting a very good deal.

Is that right? Now, do not let hon. members get themselves in too deeply.

Mr. Whicher: That is right.

Hon. Mr. Frost: I continue:

Ross Whicher, Liberal, Bruce, wanted to know how many Toronto unemployed would receive work under the government's offer to pay 10 per cent. of the direct labour costs.

Mr. Whicher: Ten per cent.?

Hon. Mr. Frost: I am sorry, 70 per cent.

Mr. Whicher: That is quite a difference.

Hon. Mr. Frost: Yes, it is. When the hon. member for Bruce said it would cost the municipalities \$10 for every \$1 they received from provincial aid, that was disputed on this side by the hon. Attorney-General (Mr. Roberts). Now, sir, I do not think that the hon. member for Bruce is beyond hope at all, I think he can be put back on the right track, and I would like to answer in detail the question that he raised yesterday.

Now, sir, on January 29, I think it was—

Mr. A. J. Reaume (Essex North): Mr. Speaker, I wonder if I might just say a word?

Mr. Speaker: Yes.

Mr. Reaume: Regarding this statement made about hon. Paul Martin, I was out of the House at the time but I read it today in the paper.

Now, I want to say that I was there at the meeting, and that hon. Mr. Martin made no such statement.

Now, as the hon. Prime Minister knows, hon. Mr. Martin is a good man and an

honourable man, and I do not think that this kind of statement could be attributed to him. Whoever wrote it was wrong, because I was there at the meeting, heard the whole speech, and there was no such thing said at all.

The article is written by a reporter. I think that this honest paper, this paper above all papers, that always prints the truth, the whole truth and all the rest, I think it is pretty near time they print a retraction.

Hon. Mr. Frost: Now, Mr. Speaker, may I say that as far as I am concerned I, of course, accept my hon. friend's explanation, but my remarks were particularly directed to the hon. member for Bruce—

Hon. Mr. Dunbar: He is running for office. The hon. Prime Minister should not blame him.

Hon. Mr. Frost: On January 29, I met with the mayor of Toronto and the board of control of Toronto, and this was succeeded by a conference that I had with certain agencies in Toronto including Mr. Rupert, the director of welfare in this city.

Among other things, the mayor of Toronto gave me a list of work, but he also gave to me at that time a letter under the date of October 28, 1957, addressed to the board by Mr. Bell, the commissioner of parks and recreation.

I should like to read the letter to you, sir, because it became current at that time. It was given to me on that occasion by the mayor in the presence of the board. The letter reads:

NATHAN PHILLIPS, ESQ.,
AND MEMBERS OF THE BOARD OF CONTROL:
GENTLEMEN:

*Re proposed employment of
unemployed employables*

The board of control, at its meeting held October 23, requested me to submit a report outlining a programme of work which could be undertaken to alleviate the unemployment situation if a provincial grant is made for this purpose.

This department could carry on such a work programme during the winter months with approximately—

I would like my hon. friend to listen to this

—90 per cent. of the funds available being used for the employment of unemployed employables.

The additional monies [that is, the 10 per cent.] would be required for materials, etc. This estimate is based on the assumption that the unemployed would be selected and paid by The Department of Public Welfare as no provision has been made by this department for additional clerical staff.

I would point out that in 1955, when a similar programme was undertaken by this department, less than 10 per cent. was required for materials, etc.

I want hon. members to underline that, Mr. Speaker.

Mr. Whicher: There is another thing there the hon. Prime Minister needs to underline.

Hon. Mr. Frost: Let the hon. member just listen to this.

Weather conditions would determine, to a great extent, the type of duties which such work force would perform from time to time during the autumn, winter and spring, but in general, if the frost—

that is not referring to myself—

—was not too severe, a great deal of cleaning up, grading and digging could be performed in the parks. If weather conditions did not permit this work, the personnel could be employed on various forestry projects. Projects could be undertaken in High Park, North Toronto ravines, Glen Stewart ravine and Bellefair ravine, such as log and boulder protection along stream banks, the raking of leaves, etc.

Weather permitting, erosion could be corrected at many locations in High Park, but it would probably be necessary to commence this work immediately or leave it until the spring. Log step entrances could be constructed at the natural trail, and pathways could be cut.

Sunnyside and Woodbine beaches could be cleared up. In addition, grading could be undertaken at various undeveloped parks provided free fill became available.

Forestry work [work such as could be done now] such as the removing of dead trees, burning brush, etc., could be undertaken at High Park, North Toronto ravines, Glen Stewart ravine, Bellefair ravine and Dentonia Park. The slopes of Craiglee Gardens could be cleaned up, and new underbrush and additional excess trees could be removed at Cherry Beach.

In addition, the small growth on the lower trunks of trees on the city streets, which is known as sucker growth, could be removed.

By equipping each man with a small pruner, this work could be undertaken by unemployed employables without danger to the personnel or the necessity of using ladders.

Additional work could be performed in the preliminary development of the ravine between Yonge St. and Duplex Ave. and the necessary grading required for the extension of the East Toronto athletic field.

Now, sir, the concluding sentence.

It is estimated that a minimum of 600 men could be employed on these projects for a period of 4 months or longer.

I ask my hon. friend if he was not talking a lot of nonsense yesterday afternoon.

I want to say that, under the date of February 4, I received quite a lengthy letter from his worship the mayor—

Mr. Oliver: Would my hon. friend give the date of that memorandum?

Hon. Mr. Frost: Well, the memorandum is dated October 28, 1957, and was given to me with the municipality's submission on January 29.

Therefore, to all intents and purposes that is the date it was given to me, because it was considered to be current.

This morning I met with Mr. Bell and the board of control, and there was no denial that that should be done. On February 4, I received a letter from his worship the

mayor. I will not read the letter, it is quite lengthy, but attached to it is a list of works, and I would just refer some of them to hon. members of this House.

For instance, here are types of work that could be done. I think it was on February 14 we announced this policy. Here are, for instance, fire halls. Central Hall on Adelaide Street, painting interior and exterior. Now, I ask hon. members if there is anything wrong at all with the city supplying the paint and the province paying 70 per cent. of the labour cost? Now, is not that a sensible programme?

Mr. Whicher: How are they possibly going to paint the outside of a fire hall?

Hon. Mr. Frost: I would say to the hon. member that he talks nonsense, he ought to go back to the pine trees up around Wiarton and get a little bit of common sense that stems from that nice pine air up there.

Mr. Whicher: Sometimes when I look across I wish I was back there, too.

Hon. Mr. Frost: Let me say this to the hon. member, here is another one.

The Main Street fire hall. Now let the hon. member listen. Repairing the eavestroughs. Now, if the eavestrough of a fire hall requires repairing, will the hon. member tell me any reason, in the name of common sense, that the government should give them the eavestrough and put it up? What we are doing is providing the wages for doing that job.

Here is another one, Henricks Avenue fire station, replacing defective eavestroughs, repairing concrete in front and replacing worn-out floor coverings.

Now, if the floor coverings are worn out and the eavestroughs are defective, I would think they would have to replace those pretty soon, and we say we will pay 70 per cent. of the labour costs for doing that job.

Here is another one, in the city hall: modernizing 4 washrooms, removing antiquated plumbing fixtures, replacing floor joists where necessary. Now, if the plumbing is antiquated, surely it should be done in the next year or so, and the province here will pay 70 per cent. of the cost of doing that.

Here is another one, redecorating corridor walls and ceiling, painting woodwork, redecorating departmental offices, replacing floor covering where necessary, also refinishing the benches in the corridors.

Mr. Speaker, is there any reason why the municipality should not provide the necessary paint and materials to do those things if we help out in the labour costs? The city garage, repairing the roof, replacing defective down-pipe, eavestrough and flashings and where necessary paint the interior and exterior. They are just the type of things that we are trying to encourage the municipality to do.

I was interested when the board of control, on February 17—the day before yesterday or the day before that—adopted these two things, two casual labour projects that were authorized at this time.

One, general work in the city parks estimated at \$708,960, of which \$638,064 is for labour and \$70,896 is for materials. Now I ask the hon. member in a case like that, if the city, in necessary works, puts up \$70,000 and if the province of Ontario pays 70 per cent. of some \$638,000, if that is not a good deal?

I would say the town of Wiarton or any other municipality in the province of Ontario never had a deal like that given to them, never in the history of this province.

Now, here is another one: clearing lanes and boulevards in city properties by The Department of Public Works, estimated to cost \$180,000, the whole of which amount is for labour.

Now I ask the hon. member if that is not a reasonable and proper deal to give the city of Toronto, and regarding the talk about costing \$10 for every \$1 for labour, would he not now agree that that was a nonsensical thing to say?

Mr. Whicher: Mr. Speaker, just let me stand up and I will tell the hon. Prime Minister what I think.

Hon. Mr. Frost: Well, I leave that for the hon. member to explain. Under date of February 18, I received from the mayor of Toronto a list of works in which he says at the conclusion:

the board of control very much appreciates the prompt action given by you, Mr. Prime Minister, and your colleagues, on the representations by the city and for the assistance which is given to Toronto.

Signed,

THE MAYOR OF THE CITY OF TORONTO.

I had a letter, delivered to me today, from chairman Mr. Gardiner of Metropolitan Toronto.

Mr. Gardiner says that this programme he submits is on the basis that the province will

pay 70 per cent. of labour costs of persons not receiving unemployment insurance, and the Metropolitan corporation will pay labour costs and all material and other costs.

This programme will give employment to 435 men for a period of 12 weeks, at a total cost of \$450,000.

Just to show how quickly we act, may I say we gave that to the hon. Minister of Municipal Affairs (Mr. Warrender) and it has been passed. The men can start work tomorrow.

Now, Mr. Speaker, I should like to clarify one other thing, and I am going to read a statement, a very short one, to the House, because this is being sent to all municipalities. It was stated in the press that the statement I made here last Friday required some clarification. Well, I would say that it requires clarification only for those who are so blind that they will not see, and—

Mr. MacDonald: Mr. Speaker, may I say—

Hon. Mr. Frost: Yes, the hon. member for York South (Mr. MacDonald) is one of them, a shining example.

Mr. MacDonald: How about the mayor of Hamilton and most of the board of control—

Mr. Speaker: Order. Order.

Hon. Mr. Frost: We have a letter from Mr. Kent here, the city solicitor, advising of a further list of works for city of Toronto, under date of February 20, for 800 men, so that makes 1,250 in so many minutes.

Mr. Whicher: Not enough men.

Hon. Mr. Frost: That is right, that is what I am trying to tell the hon. member opposite. I would say he suffers from a morbid fear, he suffers from a phobia these days. It would be removed if it were not for the imminence of the great disaster which is going to overtake him on March 31.

This is the statement I am sending to all the municipalities.

It is desired to make it very clear that the programme contemplated under this programme is an emergency one, to deal with the area of our population not covered by unemployment insurance and which is unemployed.

This plan must not be construed as an incentive to start work on major construction. The plan is designed to do work which can presently be done involving mainly the payment of wages.

The plan also is designed only to meet a reasonable problem and the subsidy will be given only on labour costs incurred up to and including May 31, 1958.

Labour costs towards assistance will be given to include:

1. Unemployed persons who are not entitled to unemployment insurance. It is not necessary that this group should be in receipt of municipal relief or welfare—merely that they are unemployed and are not entitled to unemployment insurance.

2. Unemployed persons who are entitled to unemployment insurance but who are in receipt of welfare assistance from the municipality because of the size of families or other reasons which are sufficient to entitle them to assistance.

3. Labour costs referred to are limited to those of a municipality or its board, it does not include labour costs of a contractor doing work for a municipality. Municipalities wishing to participate in this programme may commence work at once provided they notify The Department of Municipal Affairs of their intention to proceed, describing the type of work.

No further approval is necessary, but The Department of Municipal Affairs and The Department of Public Welfare reserve the right to examine the project and the rolls of those employed.

So simple is the programme that hon. members have seen, in the last minute or two, the acceptance of two programmes here involving the employment of 1,250 men. Attached to this statement, I have put the following, and I am sending this to all the municipalities in Ontario:

1. A copy of the statement which was made here last Friday, which has already been sent to all municipalities, but is included so that there may be no misunderstanding.

2. I am including, also, a letter to the mayor of Toronto from Mr. G. P. Bell, of the commission of parks and recreation of that city, which I just read, which gives a good sample of the type of work which the plan envisages.

This statement, of course, covers only the matters of municipal parks, the other departments no doubt would have similar works which would involve very largely the employment of labour.

It will be noted in this statement that the estimate—that is, in Mr. Bell's statement—is

that 90 per cent. of the cost would be used for the employment of unemployed employables.

Now, I think that should clear the matter. As I say, in the city of Toronto already we have 1,250 men who will be working, I assume, tomorrow morning, and I have high hopes that others will follow.

Again I refer the hon. members of this House to the statement I made—

Mr. Thomas: Mr. Speaker—

Hon. Mr. Frost: I will let the hon. member ask a question in just a moment.

May I say it involves very interesting possibilities, already we have had requests from other governments to observe the working of this plan. If it works well, there is no reason why, in the time of high employment, if there is unemployment in a certain area of the province, or in certain municipalities, that they might not be designated as eligible for such a plan.

I would say that this is a very forward effort in attempting to deal with those who are unemployed who are outside of the built-in traditions for the carrying of the unemployed person which is applicable now to a very wide range of our population.

That, I think, should clear up any misunderstanding, and I discussed the matter with the board this morning, the board of control, and I pointed out to the board of control and his worship Mayor—

Mr. MacDonald: The most unsatisfactory board we ever had.

Hon. Mr. Frost: I wish the hon. member for York South would not talk in his sleep.

I discussed this matter with the mayor and the board of control, and I pointed out the requirements. I explained just how the plan arose—as a matter of fact, the plan was one that was proposed to me by the grand old city of Toronto itself.

Mr. Whicher: Mr. Speaker, I think I should have the opportunity of saying a few words on what the hon. Prime Minister has talked about. When he started his argument this afternoon by throwing a few nasty statements across this way—

Hon. Mr. Dunbar: Is he referring to the hon. Prime Minister?

Mr. Whicher: —he forgot that the whole essence of the scheme is the fact that the only people who are eligible for this are not unemployed employables, but people who are not eligible to draw unemployment insurance.

May I point out to the hon. Prime Minister that in today's press it says that in the city of Hamilton, which is a city of considerable size, it is reported by the mayor or the controllers that there are only 56 labourers who qualify under this scheme—

Hon. Mr. Connell: There are 276.

Mr. Whicher: A hundred and how many?

Hon. Mr. Connell: 276.

Mr. Whicher: Well, if it is 276, I am quite prepared to take the word of the hon. Minister but in the press it says 56, now I ask this:

Of the 276 who would qualify under this scheme, how many are capable of doing a full day's work? I would suggest that all of them are not capable, and what we need, and what the hon. Prime Minister tried to put across to this Legislature the other day when he announced the scheme, was this, that he was going to pay not only 70 per cent. of all labour that would be employed, but it certainly got out in the papers that it was going to be 70 per cent. of all materials—

Hon. Mr. Frost: I tried to do no such thing.

Mr. Whicher: I said it was in the papers. That was the impression that went around this province.

Now then, I am quite willing to agree that in the letter—I believe it was Mr. Bell who wrote the hon. Prime Minister—it stated there is considerable work that can be done in parks, but on the other hand I ask what is more ridiculous than the raking of leaves at this time of year? How in the name of heaven can men rake any leaves these days? I suggest that it is not—

Hon. Mr. Frost: Would the hon. member agree that in the month of April or May it would not be ridiculous?

Mr. Whicher: The hon. Prime Minister has not been in his back yard too often, that is the trouble. Now, not only did he mention parks the other day, but he mentioned such things as sidewalks and roads.

There is nothing so completely ridiculous as mentioning bridges and so forth and to suggest that the municipality is only going to put up a few dollars while the government puts up a great big mountain of money. It is simply ridiculous, and the hon. Prime Minister knows it, and what is more, the newspapers in this province and every municipality know it.

Mr. Bell said that this programme would be successful if the frost were not too severe. Well, **Mr. Speaker**, the "Frost" has been

very severe, I will tell hon. members that much.

The hon. Prime Minister has been most severe.

He also suggested that deals such as this had never before been offered, deals of such wonderful import to the town of Wiarton. May I tell the hon. Prime Minister that if he has not any better deals than this, let him please not offer them to places like that because they are not going to be accepted in this province. The best thing that the hon. Prime Minister can do is to go home and have the sleep that he suggested my hon. friend on my left was having, let him think it over, admit that he made a mistake, and then come back and offer the people of this province something to really relieve the unemployment situation—

Mr. Speaker: I have ruled on previous occasions—

Mr. Oliver: I do not want to argue against your ruling, **Mr. Speaker**, but I want to talk to you about this situation. Surely, when the hon. Prime Minister rises and makes an extended statement which included some political barbs here and there, surely we have a right to make some comments on it, I mean we are going to be restrained I think unnecessarily, if we are not allowed to make comments on what is a highly controversial question, and certainly a question which has been much in the public interest at this time.

I think it would serve the public interest, **Mr. Speaker**, and that is what we are after, and I think it would be in order, to have all aspects of the situation put forward. I would like to say a few words on this, and if you rule me out of order, of course I cannot say them.

Mr. Speaker: There is provision in the rules of the House, of course, for discussion of this matter when it comes up. The money has to be voted for, and that is the time when it can be discussed.

Now, an announcement has been made, and if hon. members want to move that the House adjourn, for a matter of public importance to be discussed, in that way of course we can do it.

But I can see that we are going to get into a great deal of trouble if we permit a full discussion of any particular statement made in the House.

I say that I allow a tremendous amount of latitude in the House. I have suggested that if there is a question that needs clari-

fication we shall be very glad to permit that question, but we cannot permit the debate to go on, because it could go on for hours on a statement such as this. There is the opportunity provided in the rules for discussing this when the House devotes time a little later on.

Mr. MacDonald: Mr. Speaker, may I ask a question? How many people does the hon. Prime Minister think there are in the province who are unemployed and therefore eligible to be employed for these particular jobs?

Hon. Mr. Frost: Well, I would accede to my hon. friend that I simply do not know, I do not think anybody knows, but I would say that the municipalities are the best gauge of that. These people have the best opportunities of sizing the matter up, and, as I say, it is very easy for them to put these people to work.

I think the answer to the question would be in the letter from the city solicitor. He says this:

Following the conference which you had this morning with the board of control and other officials of the city, it was decided to immediately proceed with the work outlined in the enclosed report, and for this purpose to offer employment to approximately 800 men who are not in receipt of relief.

I think that is a great object, it is not intended that this shall be final. The letter continues:

Other projects will be undertaken as the weather becomes more suitable. In the meantime, may I request your approval for these two projects set out in the enclosed report, so that this provincial programme of assistance would be available to relieve the unemployment situation in Toronto.

Mr. MacDonald: Mr. Speaker, I just want to draw to the hon. Prime Minister's attention, if he is not aware of this, that I talked this matter over with one of his deputy ministers two or three days ago, and this deputy minister's estimate was that there are somewhere between 15,000 and 25,000 people in the province eligible for this type of work. Now if, in all the hon. Prime Minister's juggling of figures, the top figure he has reached for the city of Toronto is 1,350 people, and there are between 15,000 and 25,000 who are eligible for this kind of work, then I say this is not

only too little, but that he is making a mountain out of a molehill. He is toying with the programme.

Mr. Cowling: Well, it is only a beginning,

Mr. Oliver: Mr. Speaker, you have allowed the hon. leader of the CCF to make a speech in this regard, now is the ruling that you have—

Mr. MacDonald: It was supposed to be a question.

Mr. Oliver: Well, the latter part was a speech, not a question; it was a speech and one could not call it anything else.

Mr. MacDonald: It was like the hon. Prime Minister's statement—that was a big speech, too.

Mr. Oliver: I would like to take your suggestion, Mr. Speaker, and move that the House be adjourned so that the legislators can discuss this matter of public importance.

Mr. H. Nixon (Brant): I second that motion.

Hon. Mr. Frost: I do not want to interfere with the rules, but I would be very glad, for one, to avoid any technicalities and I would be delighted to hear my hon. friend and the light that he could throw on this subject.

Mr. Speaker: We have a vote before the House, moved by the hon. leader of the Opposition, seconded by Mr. Nixon, that the House adjourn and consider this matter of public importance. All in favour of the motion?

Motion agreed to.

Mr. Oliver: Mr. Speaker, having been given the privilege of speaking on this important matter, I hope that I will not transgress the other rule which I believe applies to debates of this kind which cannot be more than 10 minutes, which I believe is the rule.

Well, I want to say, regarding the statement made by the hon. Prime Minister to the House this afternoon, that I have never known the hon. Prime Minister to be better than when he is defending the indefensible. It is then that he rises to great heights, and it is only when he is aroused about a situation such as this that he gives vent to the sort of speech he made this afternoon.

Now when my hon. friend delivered this proposition to the House the other day, it was apparent that it had very great shortcomings, it is apparent that it was not the remedy that had to be applied in order to meet this situation head-on.

Since that time the municipalities have stated quite openly that it does not meet the requirements insofar as they concerned and I was hoping quite frankly, Mr. Speaker, that when the hon. Prime Minister rose today he was going to say that he was going to withdraw this proposition and put another in its place that would have adequately met the situation.

In my opinion, this whole proposition was ill conceived. It was drawn hastily. It was projected without sufficient, if any—I do not know if there was any or not, but without sufficient—consultation with the municipalities to which this situation was apparent and was a problem.

Hon. Mr. Frost: The hon. leader of the Opposition is quite in error with that, because it was arrived at after a very considerable deliberation, and arrived at precisely on the grounds that the city of Toronto advanced the proposition.

Mr. Oliver: I was going to come to that very matter. What consultation there was, as the hon. Prime Minister suggests, was with the city of Toronto. There are other municipalities in this province besides the city of Toronto, and what was apparently half-heartedly accepted by the city of Toronto is not being accepted by the rest of the province.

That is why my hon. friend had to make the kind of speech he made today, that is why he is going to have to send out this type of information pamphlet that he talks about this afternoon. He would not have had to send it if he had met with the municipalities prior to this announcement and prior to the proposition being put forward.

What the hon. Prime Minister is doing now is trying to catch up with himself. This proposition, as he has outlined it, I would say to the House, was doomed to die young. It is not a proposition that will meet head-on the problem that exists in relation to unemployment, and my hon. friend is now finding that out, and I hoped that he would be big enough and have the courage to say to this House this afternoon: "I pulled a boner, I put forward a proposition that is not adequate and I am prepared to draw it out, throw it in the ashcan, and build again, hoping that the new proposition will meet more adequately the problem that exists."

It might be the situation that, with respect to Toronto—my hon. friend knows—that the city of Toronto asked him to go back to the system of unconditional grants.

He did that before. What is the reason that he cannot do it again? What is the reason he could not meet it in some way?

This is a "half-baked measure" if ever there was one. The hon. Prime Minister today talks about sweeping leaves, about gathering up snow with a little shovel, about cleaning up ravines and about picking up papers in the park. Well, maybe so, putting up eaves-troughs and all these things.

The other day that was not what he talked about. He talked about bridges, roads and sidewalks, and now he has apparently abandoned that altogether, and is down to a leaf-sweeping business at the present time. He is down to a snow-gathering proposition.

Well, of course, my hon. friend has re-treated very far from the position he tried to occupy the other day, and I say again that the proposition that the hon. Prime Minister has before this House at the present time, while it will do some good, it falls far short of meeting the needs that exist in combatting unemployment and providing the municipalities of this province with the aid to deal adequately and fairly with the unemployed people.

Mr. Guindon: What is the hon. leader of the Opposition's proposition?

Mr. MacDonald: Mr. Speaker, I just want to draw attention to the fact that, as the hon. leader of the Opposition has already stated, the hon. Prime Minister has come in here and tried to create the idea that the board of control of Toronto is happy with this deal. If they were happy with the deal, why did they out-of-hand discard the proposition and come and request a reinstitution of the unconditional grants of 1955? People do not do that kind of thing if they are happy with a deal.

As a matter of fact, the afternoon paper describes the board of control's meeting this morning, with the hon. Prime Minister, as the most unsatisfactory meeting that they ever had. That is a quotation from controller Brand, who knows something whereof he speaks in this kind of thing.

Mr. Child: Oh, I bet it is CCF.

Mr. MacDonald: Certainly, he is a good man. Now, Mr. Speaker—

An hon. member: Good for what?

Mr. MacDonald: Mr. Speaker, I want to bring attention to the point that I elicited in a question to the hon. Prime Minister.

This proposal, like what the government at Ottawa is doing, is not only too little and too late, it can do very little to meet the immediate needs of the unemployed.

The hon. Prime Minister is playing around on the periphery of things. There are—by

careful assessment in a field that admittedly is difficult to assess, by one of his own deputy ministers whom I called up the other day to discuss the matter—there are between 15,000 and 25,000 people in the province of Ontario who are eligible for this kind of work.

In the city of Toronto, where a great proportion of them are concentrated, the hon. Prime Minister comes up with a figure of 1,350. This is too little, and it is too late, and it is not going to meet the desperate need.

This is not something to help the unemployed. This is part of the whole election "gimmick" in which this government is using the Ontario public purse to the extent of \$5 million to help Rt. hon. Mr. Diefenbaker to get votes between now and March 31. This is exactly what it is.

Some hon. members: No, no!

An hon. member: Maybe.

Mr. MacDonald: The hon. member is correct. The hon. Prime Minister entered the House last Friday with the proposition that men be put to work on bridges, sidewalks and roads. Today he has retreated to sweeping leaves and piling snow and putting new joists in the washrooms—projects of that nature.

An hon. member: Election bait.

Mr. MacDonald: Exactly, this is precisely what happened at the federal level. Last November 22, when the question of public works was raised in the House of Commons at Ottawa, the hon. Minister of Public Works (Mr. Green) rose in the House and said it was "quite impossible." He could not do it, he said, because the Liberals had not left that shelf of public works. I think I quoted from Mr. Green's comments the other day in my contribution to the Throne speech.

But two months later, something which they considered quite impossible now has become quite necessary to gather votes between now and March 31—but not to help the unemployed, except by toying with the job.

So now, federally, we are being offered over \$1 billion of a public works programme—\$278 million of which is going to be spent immediately, not to meet the needs of the unemployed now but to meet the needs of the Tory party to get votes between now and March 31. At best it can meet the needs of the unemployed next winter.

Now, the hon. Prime Minister of Ontario comes in—"Me too, behind you," he says—with

his \$5 million to throw into, out of the public treasury, the slush fund of public works, to meet the needs of the Tory party.

Mr. Speaker, by his own figures, the hon. Prime Minister reached in Toronto 1,350 who would be given work, and I shall look forward with interest to see how far towards the figure of 15,000 to 25,000 this government is going to get with this kind of a programme, because I suggest they are not going to meet the need. They are not because it was, as the hon. leader of the Opposition said, a half-baked plan which is not capable of meeting those needs. It was dreamed up by the hon. Prime Minister at the last moment.

Some hon. members: It is a fact. Right, right!

Mr. J. A. McCue (Lanark): I am a new hon. member in this House, and perhaps I should not be engaging myself in this debate, but I am so furious after what I have heard that I am going to rise and speak, and I am going to support my hon. leader, the hon. Prime Minister of the province of Ontario, in this because I have sat here in this House for 2½ weeks, and until yesterday I did not open my mouth, because I do not think a new hon. member should, he should learn to listen.

But I tell hon. members that I have tried to, but I am going to say this, that in the 2½ weeks that I have been present in this House, I have never heard any positive thing come from the Opposition towards this problem of unemployment.

The only positive thing we have got comes from the hon. Prime Minister of this province, and I am here to back him.

I think that he has just done a great thing. He is trying to do something to assist people, and I think this—and I am from the grass-roots levels, and I like people—if hon. members go out and speak to the man on the street, they will hear that the hon. Leslie Frost has been trying to do what he possibly can, and the people on the streets are going to be behind him.

Mr. A. Grossman (St. Andrew): Mr. Speaker, I have attempted to get a copy of *Hansard*, the first volume for 1956, so that I could quote from it, rather than try to quote from memory.

I know something about how the city of Toronto handled the so-called unconditional grant of 1955. As a matter of fact, the programme of parks clearance and clean-up was a formula of mine. I think, if we get down to basics here, that the whole discussion is

(if one can find anything of any substance in the arguments of the Opposition) quite obviously spoken from a feeling of frustration, because obviously they did not want the government to do anything about unemployment.

I refer particularly to the CCF. They have no hope at all, at any time, of getting into power except if the economy is destroyed, and obviously they do not want anything done which is going to help the economic situation.

Mr. MacDonald: The hon. government members will be the ones to destroy it.

Mr. Thomas: If we put a pipe across the hon. member, we would have lots of gas, anyway.

Mr. Grossman: Mr. Speaker, let us get down to the basics here and try to find out what the Opposition is getting at. The question is: should we hedge, as they call it, should we hedge any assistance to the municipalities with any kind of regulation or qualification, or should we give them unconditional funds? Now I have heard that term employed, and the hon. leader of the Opposition suggested that.

I will give the hon. leader of the Opposition a reason. When the government granted a \$500,000 figure to the city of Toronto unconditionally, with the suggestion from the hon. Prime Minister that they could use it for helping in unemployment or helping in any other way the economic situation in Toronto, I want the hon. members of this House to know that there was a great debate in city council because there were certain members of city council—and if my memory serves me correctly, including the mayor—who wanted to use that to reduce the tax rate. They did not, because there was a fellow by the name of Grossman and a few others who argued—

An hon. member: He will not give him any credit.

Mr. Grossman: I am speaking from the record, and the reason I mentioned my name is because I happen to be a Progressive-Conservative, I do not happen to be one of that small army of CCF socialists who try to give the impression that they are the only ones in the world filled with the milk of human kindness, and that no one else cares about the unemployed.

An hon. member: They have not much to offer. How are they getting on without the hon. member?

Mr. Grossman: Mr. Speaker, I now have to hand a copy of that *Hansard*, and at that time I did give this information to the House, and it bears repeating, and the point I am trying to make is that one does not dare give huge sums of the taxpayers' money unconditionally, for this purpose, because one would never know what any municipality would use it for.

Mr. MacDonald: The hon. member has a phobia now.

Mr. Grossman: I quote, Mr. Speaker, the remarks I made on the speech from the Throne, and the words make reference to the unemployment assistance given during 1955:

At this time I want to thank the government for the assistance given to the city of Toronto last spring by the unconditional grant of \$500,000 in 1955. This enabled the city to accomplish a great deal.

I am not going to read the part where I am telling them how proud I am of the part I played in it.

Instead of giving cash relief to these people, we saw to it that everyone did a fair day's work and was given a fair day's pay, and I reiterate, Mr. Speaker, it was a complete success.

Now the point is that if there had not been a slim majority in favour of using these funds for unemployment relief, they would have been used to reduce the tax rate of the city of Toronto, and I contend the government is quite in order and doing the proper thing when they make sure that other people's taxes are not used to reduce the tax rate in any particular municipality.

Now, the figures at that time—and there were not these hundreds of thousands of unemployed which grow larger and larger every day in the minds of the Opposition—at that time, for this kind of work, the total applications approved were 2,638, made up as follows:

Heads of families—790.
Single men—1,818.
Single women—30.

Number of work slips issued to persons to report to work, accumulative total—20,179.

Number who received work slips and reported to work, accumulative total—17,262.

Number who received work slips and failed to report, accumulative total—2,917.

Total expenditure as of October 6, 1955—\$480,323.

Rate of pay per day—\$10.

Married men with families were given 3 days' work per week, single men were given 2 days' work per week.

The point, Mr. Speaker, I reiterate, is that unless you qualify for these grants in some manner, shape or form to make certain that they are used for the purpose for which they were intended, you never can tell for what purpose a particular municipality will use these funds, and I reiterate again that the city of Toronto, only by a slim majority of its members, managed to vote this money for unemployment relief purposes, or it would, I reiterate again, have been used to reduce the tax rate in that municipality.

Mr. A. R. Herbert (Temiskaming): Mr. Speaker, I would like to say that certain municipalities in my district have already submitted estimates of direct labour costs on projects that have been outlined by the hon. Prime Minister, and they do appreciate the offer that has been made.

Mr. J. Root (Wellington-Dufferin): I want to direct a question to the hon. Prime Minister. I listened with considerable interest to the tirade of the hon. member for Bruce (Mr. Whicher). I have never heard any objection to this plan from any of the municipalities which I represent, so I presume they are in support of it, and I would like to ask the hon. Prime Minister—could a township under this plan hire men to go out and cut brush from the side of the road for the purpose of improving our roadside?

Hon. Mr. Frost: Mr. Speaker, I might answer that question in the affirmative, yes. That is the type of work which would be subject to a subsidy on the part of The Department of Highways, and therefore, as I said in my statement, there would have to be an adjustment in the amount which would be paid, but nevertheless we would pay up to, in all, 70 per cent. of the labour cost.

Might I say to some of my followers here, particularly the hon. member for Lanark and to others, let them never be disappointed about the actions of the Opposition, because there is nothing I could ever do to satisfy them. That is an impossibility. I have never known that to happen.

Now, let us take the hon. member for York South (Mr. MacDonald). He refers to the 25,000 figure that he received from one of the departments. He infers that it is not worth while doing because it only involves 25,000. Mr. Speaker, if we can get 25,000 men to work under this plan,

I think it is a good one, as a matter of fact I think it is justified.

Mr. MacDonald: I rise on the question of privilege. The hon. Prime Minister has—I was going to say deliberately—but he has certainly twisted what I said. I said that there are 25,000 people and all this programme is going to help in Toronto is something like 1,350.

Interjection by an hon. member.

Mr. MacDonald: Exactly, now let us find out what the total number is.

Hon. Mr. Frost: If my hon. friend will wait until about the day after tomorrow, we will have probably several thousand more on this plan.

Hon. W. M. Nickle (Minister of Planning and Development): Mr. Speaker, I would like to just say a word in connection with this works programme as it affects the riding which I represent, the city of Kingston.

For the purpose of the record, I would like to tell the House that, a few days ago, I received a letter from the clerk comptroller, Mr. T. J. McKibbin, saying that a resolution had been unanimously passed by the Kingston city council, asking if the policy, as announced by the hon. Prime Minister, would cover work in connection with a redevelopment project down my way, secondly, some repairs to the city hall and, thirdly, some work to be done in the fire station.

I answered that if they wanted to put, on that sort of work, people who were not receiving unemployment insurance, they could be employed, and in relation to the labour cost our policy was to pay 70 per cent.

Now that is not part of the city of Toronto representation, but I do say this, speaking as I do for the people of eastern Ontario, that we think it is a good programme and we think that those who are out of work and not receiving unemployment insurance can get a great benefit. They will get pay cheques to get the necessities of life they need for their wives and their families until the early part of spring.

Mr. A. J. Child (Wentworth): Before the orders of the day, I would like to direct a question to the hon. Attorney-General (Mr. Roberts) and it is concerning a newspaper article published in the *Hamilton Spectator*, Wednesday, February 19. The headline reads:

ELDERLY LOSE LIFE SAVINGS IN RUTHLESS
CHIMNEY SWINDLE.

The article goes on:

Police are fighting one of Hamilton's most ruthless rackets with both hands tied behind their backs. Squads of ex-convicts are roaming the city freely, swindling elderly people out of their life's savings. Police claim the law can do nothing about it.

Police call these alleged swindlers the "chimney men" and a fat file of case histories on the chimney men's operations in the criminal investigation bureau grows every week.

Here are the new stories of the unscrupulous deals:

In the last week an 82-year-old widow paid a chimney man \$450 for an alleged contracting job in her home. The chimney men said they would put a cement finish on the cellar walls, put a cement floor in the cellar.

They splashed, as a matter of fact, cement solution on the walls, put a small curb around the floor, and collected the money. A city building inspector estimated the cost of the job to be only \$10.

Now, there are many other examples given in the article, and the police explain one of these methods used by the chimney men in lining up their victims.

The racketeers clip obituary columns from the newspaper, keeping track of elderly women left alone after the death of their husbands. They wait for a week or two after the funeral, then pay calls to their victims, and I might say their calls do not stop until after their victims are more or less penniless.

Now, the question I would like to direct to the hon. Attorney-General is this: Do we not have legislation in which to give protection to these people, and certainly to be able to prosecute those involved, and if we do not have the legislation, is it possible that legislation may be passed making it mandatory for repairmen to be licenced?

This is not the whole solution to the problem, it would not correct it altogether, but certainly it would give the police something to go on, and something for the building inspectors to check on. And I think it would have something to do with reducing the number of these incidents.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, I would say to the hon. member that there is, of course, under the criminal code, a whole part devoted to fraudulent transactions relating to contracts and trade

which sweeps through all sorts of things—trading stamps, stock manipulations and general fraud.

And defrauding of an individual, of course, can carry with it very serious criminal consequences if it can be proved.

However, I think perhaps the trouble here is that where these sort of cases do occur, the unscrupulous people make it a point to deal with elderly and infirm persons with faulty memories, who sometimes are easily persuaded, to allow them to do the alleged repairs or the type of thing they say needs repairing.

Usually the incident does not come to the attention of the police until some time after the fraud has been perpetrated, and then when they investigate they find that the victim quite often cannot give a reasonable description or identify the person involved, and often can only vaguely recall the nature of the transaction.

Consequently, it becomes quite difficult to find out who is responsible, and then even though the person may be located, to establish the necessary case in court to bring about a conviction.

I know some years ago I had this very sort of situation occur in the case of my own mother who was living with another elderly person in Belleville. The hon. member for Hastings West (Mr. Sandercock) will recall the old George Street house there, when she was living alone except for this other elderly lady, and the very same sort of thing occurred there.

One case arose in Toronto a year or so ago where two elderly women, aged about 80, were victimized by two such repairmen. The men spent a number of days on the premises doing some very poor work. They would get a cheque from one of the women one day, and on another day they would get a cheque from the other woman, and in this way they actually collected about \$3,500 for a job which, even if it had been properly done, would have been worth only about \$800. The evidence of the victims was very fragile, but it was supported by identification at the bank where the cheques were cashed, sufficiently so to support a conviction for fraud. In that particular case, as I recall it, penitentiary sentences were imposed.

I might say in connection with the statement in the newspaper, the *Hamilton Spectator*, and in connection with this question which the hon. member has presented, I have asked the Crown attorney at Hamilton to give me a full report as to the situation, and I expect to have that before the end of the week.

The Legislature can, of course, if it sees fit to do so, in answer to the second part of the question, require any person engaged in any particular trade to acquire a licence or authorize municipalities to pass a by-law for that purpose. However, I doubt very much whether it would be wise, and certainly one would have to consider it very carefully before going to that extent.

I say this because perhaps a few transactions, which might be brought under the criminal code if they could be proved, may not justify placing all repairmen, all handymen, under what almost might be disability, or certainly under restrictions which might, for the great vast majority of them, be onerous and unnecessary.

Publicity given to these transactions in Hamilton, I think, will go a long way toward cautioning possible victims to be on their guard.

Mr. R. Whicher (Bruce): Mr. Speaker, before the orders of the day, I have a question to ask of the hon. Prime Minister, and in view of the things that he has said about me already this afternoon, I hope he answers this question not quite so angrily.

Inasmuch as the hon. provincial auditor has made reference to the numerous commissions in the province in his report of 1956-1957, suggesting that a survey be made to assess the strength and weakness of the present system of government, and inasmuch as the hon. Prime Minister himself has mentioned it during this session, does the government intend to set up a select committee of the Legislature to make this examination?

Mr. Speaker, the reason I have asked the hon. Prime Minister this question is that we now have, I believe, 21 commissions and boards in this government, and just taking 4 of them—the Hydro, the liquor control board of Ontario, the Ontario water resources commission, and the hospital services commission—which will very shortly be spending huge sums of money, these 4 commissions do almost as much business as all the departments of this government. This manner of governing makes it very hard for the Opposition to satisfactorily look into the affairs of these commissions and boards. In fact, it is almost impossible. I would strongly suggest that such a survey be made to investigate these problems of government.

Hon. Mr. Frost: Mr. Speaker, it is with great pleasure that I answer the hon. member. I am not at all angry that he has asked it, but I simply say this, that if he would read in *Hansard* the statement I made

to the House a week ago Monday, the complete answer to his question is right there.

As regards the setting up of a select committee, of course, I have not made up my mind. That is a matter for the recommendation of the standing committee on commissions. The whole matter has been referred in detail to that committee, and I will await their findings with interest.

That committee itself can review the situation generally, I do not think the matter should be handled by the committee on commissions, but they can review the matter, question the provincial auditor and any others they desire to call, and then make a recommendation and we will give it consideration. That is exactly what I said a week ago Monday.

Mr. Speaker, may I ask your permission to attend His Honour the Lieutenant-Governor (Mr. Mackay) to obtain Royal assent to a measure which I believe will be instrumental in introducing into this province another notable advance in human betterment sponsored by this government—hospital insurance?

The Honourable the Lieutenant-Governor entered the chamber of the legislative assembly and, being seated upon the Throne, Mr. Speaker addressed His Honour in the following words:

May it please Your Honour, the legislative assembly of the province has as its present sittings thereof passed a certain bill to which, in the name and on behalf of the legislative assembly, I respectfully request Your Honour's assent.

The following is the title of the bill to which Your Honour's assent is prayed:

Bill No. 45, An Act to amend The Hospital Services Commission Act, 1957.

Clerk of the House: In Her Majesty's name, the Honourable the Lieutenant-Governor doth consent to this bill.

SPEECH FROM THE THRONE

Hon. W. M. Nickle (Minister of Planning and Development): Mr. Speaker, after the provincial general election of 1951, and the first session of the Legislature after that time, I found myself sitting, as you will probably remember, in this seat, and I had to my left at that time the hon. Speaker of this Legislature. Having been on your right and the son of the manse, so to speak, I learned to appreciate and understand your broad and general vision of tolerance and fairness.

Those characteristics in my opinion are very ably demonstrated since you became the Speaker of this House. For the future, I wish you well.

I should not on this occasion be unmindful of extending my very sincere congratulations to the deputy Speaker, the hon. member for Middlesex South (Mr. Allen). In the short time after his appointment he has found many challenges while he has been presiding over our proceedings, and I think it is fair to say that he has done a very good job.

At this time I should like, as a result of certain comments that have been made in reference to the housing problems of this province, to make a few comments in relation to what I think is a satisfactory programme.

In the first place, I would like to comment that in 1957 our Ontario municipalities showed a greater interest than ever before in what I might call the federal-provincial partnership. Larger urban centres are becoming increasingly aware of the advantages of this programme. In the past year, my housing branch has received application for rental housing projects from London, Windsor, St. Catharines and Sudbury, while Ottawa has requested both a rental housing project and a land assembly programme.

The reason for the growth of interest can be directly tied in with the tight-money policy in effect during the latter part of 1956 and the early part of 1957. Since there was little money for land development, the shortage of service land in many of our cities became very critical.

For example, I might indicate that the city of Peterborough made representations to my department of government, asking us to do everything possible to develop the land assembly in that city.

The tight-money policy pursued by the Liberal government prior to June 10 brought about near disaster for the housing industry. Because of the shortage of mortgage money in the first three months of 1957, starts in residential construction had dropped 46 per cent., and not until the \$300 million was made available by the federal government through The Department of Public Works, as represented by Central Mortgage and Housing Corporation, did our housing programme begin to pick up. This action was literally the salvation of the housing industry, pulling it out of the worst slump it had ever experienced.

At the end of December, 1957, starts were running only 4 per cent. behind the figure for

1956. According to the 1956 census, housing has increased by 216,503 units.

It is essential that construction of new dwellings keep pace with the increase. Private contractors are not interested in any sort of a rental programme, for the reason that if they take the mortgages, the money is tied up and the building programme comes to an end.

Complete information to all the municipalities of this province interested in housing is now made available through a bi-monthly letter which is issued from my department, together with a brochure. The next issue for information of the people interested in housing will be a new pamphlet which will show the municipal officials, housings, programmes, plans and specifications for land assemblies where there may be an interest.

As of December 31, 1957, there was a total of 5,940 land assembly lots. In addition, land was being prepared for future developments which included 480 registered lots and 6,382 acres.

In 1957 alone, agreements were signed with the following municipalities: Goderich, Sudbury and Hamilton, and 13 other projects are under development as a result of municipal requests. These projects being investigated are Galt, Sarnia, Ottawa, Arnprior, Brantford, Cornwall, Port Colborne, Hamilton, Trenton, Preston, Renfrew, Sandwich and Gananoque.

As of December 31, 1957, there were 44 rental housing projects in operation with a total of 2,457 units occupied, 1,938 under construction, and 39 to be built. Agreements for rental housing projects were signed with Brockville, Hamilton, Kenora, Napanee, Preston and Stratford during 1957. Sixteen new projects requested by municipalities are to be provided in the immediate future.

In Metropolitan Toronto, among other projects, there is an area of 600 acres in Etobicoke. A committee has been set up to investigate or look into this programme with representatives from the Etobicoke planning board and Metropolitan Toronto planning board, Central Mortgage and Housing Corporation and the housing branch of The Department of Planning and Development.

In addition, there are two rental housing projects in operation in Metropolitan Toronto, Lawrence Heights and Regent Park South.

In reference to Lawrence Heights, for the record I would like to say that the buildings include 579 units, in 19 walk-up apartments, 424 row houses in blocks of 4, 6 and 8 units, and 40 semi-detached units. When this project is completed, there will be, in all, 1,043 units for occupation.

In connection with North York, that was a programme in which we ran into a great deal of difficulty, because after the plans and specifications had been approved, we found the buildings were too high, having regard to the airport which was in the vicinity and the specifications had to be changed.

However, the first unit is completed and was turned over to the tenants on December 15, 1957. Today 60 units have been occupied by the tenants, and it is hoped that the entire project will be finished by the end of 1958, with a total of 1,043 units.

Housing is needed today, and if there is any question on that score, I should state that the Metropolitan Toronto housing authority have 1,500 applications on file by people who are interested in houses, and they are also receiving a further number of about 80 a month.

Regent Park South is the first re-development programme undertaken by a partnership. Most of the houses in that area were in indescribable disrepair, with shingles down, windows out, plaster cracked and broken, and stucco flaking off the outside walls. Families were being maintained in living conditions that were nothing short of indescribable from the point of view of raising children.

The difficulties of bringing up a family under these environments should not be continued any longer. It seems to me that what I might call the "blight area" should be fought, challenged by every municipality across the length and breadth of this great province.

Now some of these units vary from one sort of construction to the other, they are what I might call a non-monotonous programme. The projects seen today present an interesting study in contrast. People, children, are living under conditions the like of which they never knew before and children, rather than running the streets, are proud to call the place they now live in "home."

Some changes in policy have been effected since Regent Park South was first planned. It was originally intended that there be a minimum income requirement of \$150 a month, so the tenants could pay the monthly rental of \$30. That has now been changed, and anybody who makes application to live in one of those apartments is now admitted if the accommodation is available.

The hon. members might be interested in knowing that since January, 1951, in connection with housing starts, there have been 288,509, and houses completed in that period of time represent 279,208.

Now, amongst others who are interested in a re-development programme are Toronto, Windsor and Kingston. There has been a very great deal of research done in connection with the re-development programme, and I am proud to say that we have been of great assistance to those municipalities which are trying to get rid of their blight areas.

The last people who asked our assistance were representatives from the city of Windsor, and I would just like to read a letter that I received in connection with this matter from the city clerk, in which he says:

At a special meeting of council on January 24, 1958, matters relative to a proposed programme of urban re-development, immediately east of the downtown section of this city, were considered at length and I was directed to convey to you the council's gratitude for the very excellent undertaking by your department in compiling the necessary preliminary survey.

Now, there is a programme which is going to be initiated in the very near future. It is called "the co-operative programme," where probably 25 or 30 people together pool their resources, have plans prepared, and among themselves finance the project. These co-operative houses are very well considered in some of the countries in Europe. We have received information from Newfoundland, Nova Scotia, Quebec, Saskatchewan, and Alberta, in connection with co-operative housing, and I say it is a matter which should be encouraged.

When we have a re-development programme to complete, the first people who are entitled to get the new units for occupation are those who left the blighted area. But one of the things that we are interested in is trying to locate the families who left what I would call the sub-standard location, where they went to, and why they did not take any interest in returning to the vicinity where they had lived for so many years under conditions, may I say, that were so adverse and to the disadvantage of their wives and families.

We hope in the future that, where there is a re-development programme, none of the families will be lost in what I might call "the shuffle."

Now, local housing authorities have made a mighty contribution to the housing department of my branch of government. The purpose of the community has been described as the provision of a healthy and stimulating environment for the individuals and families

who inhabit it. Our housing authorities are certainly furthering this end in helping to provide low-income families with decent housing. It requires imagination and courage—they have shown themselves to possess both.

Now, every year the housing branch has an annual meeting, last year there was one in Fort William. At the end of the meeting the following resolution was passed by those who attended this great convention, and this is what they had to say:

That it is resolved that we express our appreciation to the province, and specifically to The Department of Planning and Development housing branch, and to the federal partner represented by Central Mortgage and Housing Corporation, for the leadership they have given to the housing authority in the administration of federal-provincial renting and housing projects, and it is further resolved that a copy of this resolution be forwarded to the federal and provincial Ministers.

Now, Mr. Speaker, we have received a number of complimentary letters from people, mayors, city clerks. We have had rental projects, and land assembly projects. I would like to read a few of them.

The first one comes from the city of Ottawa from the board of control, and this is what they have to say:

In view of the success of previous land assembly projects under agreement between Central Mortgage and Housing Corporation, the province of Ontario, and the city, the board recommends approval in principle to the undertaking of an additional project on a site to be determined.

Then from Fort William, from his worship Mayor Bedanny, we get this letter:

We appreciate the opportunity of expressing our views publicly on the need for public housing in a growing community. Some 122 houses are being occupied by happy tenants in Fort William and another 52 houses are now being built. The waiting list is sufficient to warrant construction of additional houses, and we trust that this matter will be given consideration in the near future. We can assure you of our complete co-operation in providing rental housing under the partnership agreement.

And then, from his worship Mayor Jackson of Hamilton, we received this letter:

Roxborough Park has been an unqualified success, and we look upon it with a great

sense of pride. Any person inspecting the whole area anytime from spring to late fall would be greatly impressed by Roxborough Park. The attractive homes, the clean unobstructed rear yards, the trim, well-kept lawns, the heavy percentage of children, all this contributes to the general impression of a very successful project.

I am a believer in rental housing, and I have had endless arguments with some who disagree. I think the catch phrase "own your own home" is unrealistic, and in some ways sheer nonsense, for a great number of people. The young people who have scraped together \$300, \$400 or \$500 of the only money they have, and bought a house, mortgaging and borrowing to the limit, cannot really call it a home of their own. To me this is a horrible mistake, and I congratulate you on your programme.

Then, from Mr. Coulter, the city manager of the city of Sarnia, we have this:

Again, let me say that we appreciate the co-operation we have always received from your department, and the success reflected by the orderly development of the first section of Coronation subdivision. I will look forward to hearing from you shortly in order that I might inform council as to whether or not your department would look favourably on the suggested housing rental plan.

And from the mayor of Trenton, Mr. Ross Birch, we get this:

The town of Trenton, as you know, has entered into an agreement for the creation of a land assembly and rental housing project. Subdivision Champlain Heights is one of the best developments and is practically built up. We are so pleased that I formally request you to give consideration to the development of another such project in Trenton.

From the mayor of Stratford, Mr. Cox, I received this letter:

We appreciate the co-operation we have received from the provincial and federal authorities in the past regarding the provision of housing units in Stratford. It has helped a great deal as far as living accommodation is concerned in this city, and it certainly made it a great deal nicer for many of our citizens. We do not know what the local housing authority has done, but we feel it did a good job in handling the local situation.

Now, there has been some reference made in this House in connection with Malvern and the development that has taken place, or may I put it another way, the lack of development.

Now I should say this, in the spring of 1953, after consultation with the newly appointed chairman of Metropolitan Toronto, the director of the housing branch of my department, in the presence of Central Mortgage and Housing Corporation, recommended to their respective hon. Ministers that lands should be acquired in sizeable lots in Metropolitan Toronto for a future housing development. In the township of Scarborough, east of the village of Malvern, it was recommended that 1,600 acres should be obtained.

Now the question has been asked: "Why have not the services been installed and why have things been held up?" I thought perhaps this afternoon, Mr. Speaker, I might take a few minutes and tell you why the backlog has occurred.

Two farms were purchased by pre-sale to establish market values for the property in the area, and free negotiation was obviously impossible. A large number of property owners concerned could not be dealt with and so we registered, I may say the former Minister of this department (Mr. Griesinger) registered, two plans for expropriation, one on September 16, 1953 and the other on September 19, 1953.

Negotiations with the property owners commenced immediately, we settled with 15 real estate owners representing a 25 per cent. ownership of this area, because settlements with the remaining owners could not be arranged on a voluntary basis.

Then we applied for a hearing before the municipal board to fix a compensation that should be paid the owners with whom we had not made a final transaction. The board appointed September 16, 1954, as the date on which to hear our application, but before council had a chance to be heard Mr. Andrew Brewin, Q.C., indicated to the municipal board that he was going to apply to the court for an order of prohibition preventing the municipal board from hearing our application, because he said our actions had been *ultra vires* or in other words were contrary to law.

An application was then made by Mr. Brewin on behalf of a Mrs. Carrigan on October 15, 1954, at which time the learned counsel argued, before the justice presiding at that time, that our course of conduct could not be recognized because, as I say, it was contrary to the law. The application was dismissed, the case then went to the court of

appeal, the appeal was heard by Justices Peel, Hogg, Roach and Ailsworth on December 8, 9, and 10, 1954. Judgment was reserved, judgment was delivered by that honourable court on January 28, 1955, and the appeal was dismissed.

Then Mr. Brewin, not being satisfied, asked for leave to appeal to the Supreme Court of Canada. This was done, and the case was heard before the Chief Justice, Mr. Justice Kirwin, and Justices of Appeal Rand, Kellog, Lock and Cartwright, on March 2, 1956.

Their decision was given dismissing the appeal once and for all, and the price was established as to what should be paid for the land in this area, then we started off again to go before the municipal board, but that had to be stopped because Mr. Brewin again made an application to the courts, to say that our course of conduct, no matter what the decision of the courts might have been, was *ultra vires* and, as I say speaking from a "lay parlance," against.

Then the municipal board finally got around to hearing the application on July 10, 11 and 12, 1956. The hearing could not be completed, and was adjourned, and was heard and reconsidered again on August 13, 14, and 15, 1956.

One would have thought that, by this time, Mr. Brewin who represented 12 clients—it seems to me by the time he got through it would have been cheaper for them to read the book that I have, it cost me \$1.98, *Cheaper by the Dozen*, I would have thought that they would have learned if they had read the book that they would have been further ahead than the way they were being treated, legally speaking.

Then the case went to the court of appeal for Ontario, it was heard on March 25, 26 and 27, by Justices of Appeal Schraider, Roach and McKye. On May 14, that court gave judgment, and again they confirmed that what my department of the government had done was correct and in order.

Finally we got to the municipal board on July 3, 1957. We started to negotiate to settle the matter in December of last year, and in January of this year the final prices were paid.

Now Mr. Brewin, who is a good solicitor, generally speaking, must have given some rather unsound advice to his 12 clients, for the reason that after going through 5 courts for which he was paid \$15,000 in fees, his clients were no further ahead than they would have been had he consented to the first

application in 1954 to the Ontario municipal board.

Mr. Brewin is a solicitor, in this matter, I think by day, and a very active member of the CCF party at night, because, according to the information I have, the same Mr. Brewin ran as the CCF candidate in Davenport riding in 1956, St. Paul riding in 1949, and was defeated both times. For a short time Mr. Andrew Brewin was provincial president under Mr. Joliffe, the present national treasurer of the CCF party, and is running as a federal candidate in the coming federal election, in Davenport riding, and may I express the hope that what happened to him politically on the first two occasions will happen to him again on March 31.

We have been criticized as a government for not making any progress in connection with the Malvern subdivision. The fact of the matter is that we have had nothing but CCF roadblocks, legally speaking, put in our pathway for over 2.5 years, and I now want to say this, that we hope we are in the position that this ill-founded advice that was given by Mr. Brewin to his 12 clients—unsound in my opinion from the point of view of fact and in law—that now we have him out of the way, progress can be made in this great area which has a maximum capacity of 6,000 lots for use of Metropolitan Toronto, and of course the first step will have to be a programme for the construction of the trunk sewers.

It has been a very distinct pleasure, as far as I am concerned, to be on what I might call the parks committee. The area that I am most naturally interested in is the St. Lawrence development commission which comprises—or did comprise—the counties from Glengarry to Leeds.

The Act authorizing the incorporation of the Ontario-St. Lawrence development commission is to be found in the statutes of 1955, chapter 59, and it says in relation to the park area down there, it shall mean the counties of Glengarry, Stormont, Dundas, Grenville and Leeds. The executive committee shall consist of 3 executive people, and they are Mr. George Challies, Dr. John Carroll and the hon. member for Grenville-Dundas (Mr. Cass). Then there is an advisory committee of 9 other people who, from time to time, give advice when they are called in.

A delegation headed by my good friend, the hon. member for Stormont (Mr. Manley), recently came up to Toronto. It included a number of outstanding citizens from Stormont, who met with the hon. Prime Minister of Ontario, certain of the provincial hon. Min-

isters and our advisors in our parks programme. The hon. member will say, if he speaks in connection with our parks programme, that he received an enthusiastic and a sincere reception. And, as a matter of fact, when he returned to Cornwall and after the information got out in his part of the country, there was some very favourable comment in the *Cornwall Standard Freeholder*.

Now there are 3 or 4 hon. members of this House who are very interested in the St. Lawrence development commission. The first, I say, is the hon. member for Grenville-Dundas, who is one of the executive members of the commission. I know, Mr. Speaker, it is highly improper to call a man by name but I would like to indicate that I refer to Mr. Cass. Then the hon. member for Frontenac-Addington (Mr. Rankin) will be interested because Frontenac is going to be taken into this area, in that Fort Henry is going to become part of the programme. The hon. member for Prince Edward-Lennox (Mr. Whitney) will be interested because there are properties, as the hon. members know, in Lennox and Addington in which he has a very great interest.

Now, before we start to renovate and reconstruct the old buildings of yesterday, we have to get some sound advice from people who have studied and made history their life work.

Without any reservation, Mr. Speaker, I would like to say today that I have known the chairman of the St. Lawrence development commission, Mr. George Challies, for a great number of years. I have been a colleague of his in this House, and consider him to be a friend of mine and I a friend of his, and I know of nobody who is more sincere and enthusiastic in developing the St. Lawrence properly for a parks programme than Mr. Challies, nor can I think of anybody who will do a better job when the matter is finalized for the people of Ontario than our good friend Mr. Challies.

Now, we have to get some historical advice. We have to get somebody who knows the backgrounds of the buildings. We have brought in Mr. Ronald Way, who is the director of old Fort Henry at Kingston. He is a man who has spent a very great deal of time in historical research, and has supervised for the Ontario government many major restorations outside of Fort Henry. For example, he had a great deal to do with Fort Erie and Fort George at Niagara-on-the-Lake. These are the 3 biggest restoration projects ever undertaken in Canada. He is supervising the development of Chrysler Memorial Park.

Mr. Speaker, we cannot buy old buildings and reconstruct them with present-day methods. If we are going to have them of the time of the Chrysler battle in 1813, then we have to have somebody, in my field, seized and possessed of the knowledge who, when this final project is complete, and tourists come to look it over, will have the job completed in such a manner that they will know the way of life of the people who lived in the St. Lawrence valley over a century ago.

Mr. Way is experienced in restoration work. He is more experienced, in my opinion, than anybody else in Canada today, and his name is synonymous with good sound thinking.

Now we are going to have a museum in the Morrisburg area. We are going to try to complete a United Empire Loyalist village. Sometimes, Mr. Speaker, it seems to me that we are living at a fast pace and we do not have time for history. We have not got time to appreciate the shrewdness and endurance of our forefathers.

Immigration on the provincial level of government comes under my department, and it seems to me to be sound policy and good thinking that the new Canadians, who are coming to our shores, should know and appreciate the way of life of our forefathers, that they may understand and appreciate the worthwhile heritage that we are prepared to let them enjoy. This heritage is known as democracy, and includes a respect for the administration of justice and the contribution made by our forefathers for us.

In the St. Lawrence project, we have established a new shore line. We are going to do some landscaping. We are going to make the St. Lawrence now run from the Quebec border to the bay of Quinte. In co-operation with the sound advice that I am given, and with my hon. colleague Mr. Cass, chairman of the executive committee, with Mr. George Challies, and Dr. John Carroll, plus the advisors that from time to time we may call in, we feel on the parks integration board composed of the hon. Provincial Treasurer (Mr. Frost), the hon. Minister of Lands and Forests (Mr. Mapledoram), and the hon. Minister of Labour (Mr. Daley) that we can lay down and formulate a worthwhile policy that will attract the tourists to eastern Ontario as never before. In the St. Lawrence area, from the historical records that we can find, using what is left of old buildings, we are going to have a policy of reconstruction second to none, and it is with confidence and, with my wholehearted support, I commend to this House to support what estimates I may have to offer in the future, for the development of the St. Lawrence river as a great power project.

Mr. A. J. Child (Wentworth): Mr. Speaker, in rising to take part in the debate, I would first like to add my congratulations to the hon. mover and the hon. seconder of the speech from the Throne, and I think I would also like to take this opportunity to thank the hon. Prime Minister (Mr. Frost) and the hon. Minister of Public Works (Mr. Griesinger) for advancing one project in particular, the 600-bed extension to the Hamilton hospital to a point where, today, tenders have already been called, and we hope to have it under construction or start construction some time at the end of the month.

I might say, and I am glad that the hon. member for York South (Mr. MacDonald) is in his seat, that this will mean employment to approximately 1,000 men in the Hamilton area and, added to that, I would like to thank the hon. Minister of Planning and Development (Mr. Nickle) for expediting the 524 lot survey for the land assembly scheme which will also be underway very shortly, giving additional assistance to the unemployed in the Hamilton area. I was rather interested in the remarks of the hon. member for York South the other day when he was quoted: HOMES, NOT HEADLINES, URGED BY MACDONALD.

I would like to say that in Hamilton, we already have approximately 1,000 homes that are being built for low rental housing, there are 73 nearly completed and another 63 are being negotiated, and there are still 107 in the discussion stage.

I think that, Mr. Speaker, speaks well for the efforts of this government, in an effort to put forth not only homes at low cost, but also to assist in the unemployment situation. This, I might say, is in addition to the 524 lots that will be started certainly in the spring under the land assembly scheme.

Mr. MacDonald: Over what period is the 1,000?

Mr. Child: The 1,000? Well, they certainly have come into being since I have been elected, which was in 1951. I think it is a fair record, and this is only one riding out of 98, one area, so efforts are being made that 524 lots for working people will be acted on this spring.

On that question, I would like to say to the hon. Minister of Planning and Development that I understand the municipality of Hamilton is considering charging, into the payment of the lot, the total cost of services. This, I might say, I believe would be a mistake. I think your department should urge all municipalities to include only 50 per cent. of the services in

the cost of a lot, and amortize the balance over 15 years. Anything other than that will make it awfully difficult.

As far as a down payment is concerned, it will certainly eliminate a good many of the people that have \$1,000 or \$2,000 to put down. I suggest that this will be defeating the actual purpose of the land assembly project.

Last session, Mr. Speaker, I spoke about what many of my constituents felt were rather inadequate school facilities for the hard-of-hearing children in Hamilton. This year I might say that things have not improved, as a matter of fact, they have become somewhat worse.

The Hamilton board of education closed its special classes for the hard-of-hearing so that we no longer have any special classes in Hamilton. Technically, by legislation, they were well within their rights but morally, I believe, they were in error. Some of the children went to the school for the deaf in Belleville.

Many others have been taken into the regular classes in Hamilton. However, due to the handicap, they are finding it increasingly difficult to keep up with their work.

An organization, very active in interest for these children in Hamilton, the Hamilton Hard-of-Hearing Association, have conducted a survey in order to become better informed as to the incidence of deafness and hard-of-hearing. Questionnaires were sent out asking for information about the number of deaf and hard-of-hearing people between the ages of birth and 21 years of age in the various counties surrounding Hamilton. The basic idea of the survey was to find out if there was sufficient reason to request the establishment of a second school for the deaf to be located in southwestern Ontario.

Some 61 inquiries were sent out, and to date 37 replies have been received by the association. Of these replies, 23 were able to give figures, the other 14 did not have the information available.

The total number of deaf children that were known to persons answering these questionnaires, and these were mostly municipal officials, was 78, and the total number of hard-of-hearing children known to the officials answering the questionnaires was 801.

When we consider that only 23 replies with figures were received from approximately 61 municipalities, although many will be coming in later, it seems quite reasonable to assume that, on this basis, there are

possibly over 2,000 hard-of-hearing children in these municipalities.

Although, Mr. Speaker, the survey is not complete, there is I believe sufficient evidence to warrant The Department of Education making a more thorough and extensive survey to ascertain, with greater certainty, the number of hard-of-hearing children in southwestern Ontario.

However, I believe the survey does show that there is a great need for a school, and I would like to suggest that it should be built, maybe not in Hamilton, but certainly in the Hamilton area. A further and more extensive study by The Department of Education would ascertain the actual size of a school to be built and I would, Mr. Speaker, ask that the hon. Minister of Education (Mr. Dunlop) look into this matter and give it his very earnest consideration.

During the last year or so, I have discussed and made some observation regarding another subject which I am very much interested in, highway safety. I still think it is a major problem in the province, and one that I find is of concern to many of my constituents. A suggestion has been made, and it is finding increased support in my riding at least, in an effort to cut the rising toll of death in cities, and it is one that I discussed during the proceedings of the select committee on highway safety. The suggestion is that we introduce legislation that would give protection to the pedestrian in marked crosswalks, and I suggest further that such legislation should have some teeth in it.

Approximately 60 per cent., we find, of persons killed in cities and towns are pedestrians. I believe once the pedestrians know that they have protection in designated crosswalks, and that the motorists must stop for them, they will stop crossing in the middle of the block, thus eliminating many of the accidents. If the crosswalks are well illuminated, and clearly marked with white paint, with brightly painted poles on each curb for the motorist to see—these being much the same as the Belisha beacons that one sees in England—for those who have been there—I believe it would be a major step forward in cutting the death toll in urban areas. Some cities have discussed this type of legislation but it should be, I suggest, on a uniform basis throughout the whole province, and therefore should be provincial rather than municipal legislation.

There should be possibly a two to three months' education period before this would go into effect.

As it stands now, and particularly on the one-way streets we have, the pedestrian has to be physically fit, and almost has to do a 100-yard dash in record time, or he must wait for a long break in the traffic which does not come too frequently, particularly at rush hours.

The only other alternative is for the pedestrian to walk 4, 5 or 6 blocks out of his way and cross at a traffic signal. Since such legislation has been proved successful in other jurisdictions, I do believe it merits consideration at this time.

Mr. Speaker, there is one other aspect of safety I would like to discuss—and I believe anyone who takes the trouble to look up the accident statistics compiled by The Department of Highways will feel, with a sense of urgency, the teen-age driver situation. This is a subject that I have discussed before, and I am very concerned. I am concerned because of the lack of success that we have had with our teen-agers in the province.

Statistics unfortunately show that drivers in the 16 to 21 year age group have accident rates almost twice as high as groups of others, and they kill approximately 50 per cent. more people in those accidents. The 16 to 21 year age group had 10 times the number of fatal accidents than the safest group of drivers, namely those in the 45 to 50 year old class, and these figures are based not on registrations but on miles travelled.

From the information I have been able to obtain, it would appear that the drivers in the late teens and early twenties are not improving, but other groups do show some improvement.

At the present time there are 425,000 in Ontario between the ages of 16 and 21. The birth statistics show that over the next 8 years, as the record number of babies of World War II and immediate past war years grow up, more than 76,000 teen-agers in Ontario will be reaching driving age each year. And by 1966, there will be nearly 628,000 persons in the age group of drivers causing most of the accidents.

I think that we would all have to agree that young men and young women in these groups are excellently equipped physically to handle an automobile. Their vision is sharp and clear, they have an excellent muscular co-ordination, and their reflexes are at the peak of efficiency. All of these things should result in the teen-agers being in the low accident group.

Unfortunately, this is not the case. I think possibly the attitude of the teen-agers has more to do with their driving ability than any other attribute they may have. I think our job is largely that of moulding the youngsters' characters, so that they will accept authority and restriction together with the necessary traffic regulations.

Granted, some of our accidents happen to, or are caused by, accident-prone youngsters, but these represent a very small proportion of the young drivers. I believe most young drivers today have a potential of becoming good drivers if they are properly taught.

However, properly taught, I suggest, does not mean being taught by their parents. The only thing that can be accomplished, if youngsters are taught by their parents, is the continuation of the bad habits that we have on our highways today. How can we teach a youngster to stop at a stop street when quite often he sees his father come to just a slow-down and then pull away, or when the father goes out with the family car he exceeds the 60-mile an hour limit on some of our highways, and 50 on the others?

All of these things are bad habits that we would simply be passing on to our youngsters. I admit myself that as a parent I do not think that I, although I like to think I am careful, would be qualified to teach my youngsters to drive carefully the way we would like to have them drive in the future. I think if we are going to improve the accident record, we will certainly have to do something more than that.

Mr. Speaker, I believe it is imperative that driver education should be taught in all secondary schools. The report that we receive from those areas—and I am thinking particularly at the moment of Kitchener and St. Catharines—is that the driving of those who have taken the courses is better, far better than anybody ever expected. I would say that teachers in high schools who have taken driver-education courses in universities would be excellent people to give the instruction both in the classroom and behind the wheel.

I know there is still opposition to the driver instruction in schools by many of the boards, and that many of them consider it a "frill", but since approximately 95 per cent. of the students graduating from high school will be driving, it seems to me not only desirable but necessary they should be given proper instruction in the operation of a weapon, a very lethal weapon, so they can stay alive long enough to use the costly education which they have acquired.

I see little sense in spending thousands of dollars on these youngsters for education and then having them killed in automobile accidents simply because they did not receive the proper instruction in this operation. I would recommend that the province give financial support to this programme either through The Department of Education or The Department of Transport. Let us make it on a voluntary basis—that money should be made available to those who wish to take it into the high schools—and I understand the cost is very reasonable. It would cost approximately \$30 for each student.

And now, Mr. Speaker, I would like to take a few minutes and make some remarks and observations about another matter that I also feel very strongly about. There is hardly a day goes by when we cannot find an account of an accident in the newspaper where the driver or passenger has been thrown through the windshield or thrown out of the car and seriously injured. Here is an account of one that I have kept. It is date-lined August, from Orillia: FALLS FROM ROLLING CAR, TORONTO GIRL KILLED. From Peterborough in October, the headline reads: TUMBLES FROM TRUCK, FOUR-YEAR-OLD GIRL KILLED—when she tumbled from truck driven by her father. Another one of a similar case, the headline: DIES IN FALL FROM FATHER'S CAR. And still another of the same type of accident in December of last year, the heading: FALLS FROM CAR, GIRL KILLED, "The Sunday afternoon drive ended in death today when two children toppled out of the rear door of a moving car."

And in Sarnia, where a man was pinned under a car, this passenger was dead on arrival at the hospital. Police reported he was thrown out of the car. And still another, from the *Toronto Globe and Mail* in January of this year reads: THREE DIVE THROUGH WINDSHIELD, TWO DIE, ONE TAKEN TO HOSPITAL.

Mr. Speaker, I would suggest these fatalities could have been eliminated and the cases of serious injuries could have been reduced. This was a needless waste of life simply because those involved in the accidents were not equipped with seat belts and safety devices.

The more I read about safety, and the more doctors and safety authorities I speak to, the more I am convinced that seat belts can play a major part in the reduction of fatalities and injuries.

I am not suggesting they are the whole answer by any means, certainly they cannot stop accidents, but they will and can reduce the seriousness of an injury after an accident has taken place.

I do not think any hon. member of this House believes that we can eliminate accidents on our highways, and since we must accept this, then the only reasonable thing to say is that we should make some effort to minimize the injuries after those accidents have occurred.

I know some are skeptical about the value of seat belts, and frankly I believe some always will be, but here is some information in an article that should be of interest to those people who are concerned with safety, and have an open mind:

REVEAL CAR BELTS WOULD HAVE SAVED 24,000 IN USA IN A YEAR

Auto seat belts are catching on in Canada. About 13,000 will be sold by the end of the year, an increase of better than 50 per cent. over the previous year.

Here, Mr. Speaker, is a very pertinent point of the article:

The argument for and against safety belts has been settled by competent research at a court of inquiry set up by President Eisenhower. When released, the conclusion was that, of the 36,000 people killed in United States highway accidents during 1954, at least 24,000 would still be alive if they had had proper seat belts and they had been used.

The belts, I would suggest, do more than save lives, and it has been found by a team of doctors and surgeons, as well as the Cornell University aeronautical laboratory scientists, who established that properly used belts reduced the severity of injuries by at least 60 per cent. One insurance company is already cutting premiums 10 per cent. to policyholders who install seat belts.

In other words, Mr. Speaker, it has been found that the passenger who decelerates with the car, if he is restrained by a seat belt, will receive less injury than the passenger who is thrown forward onto the dashboard or out of the car onto the street.

Further evidence on seat belts has been gathered by the division of automobile crash research for Cornell University, directed by Mr. John Moore, who is making a continued study of accidents in 11 states and the city of Minneapolis.

Among 2,000 accidents already reviewed, the division compared 162 crashes involving 81 cars in which the passengers wore seat belts, and 81 in which they did not.

More than 75 per cent. of the passengers in the cars not equipped with seat belts were

found to have suffered various types of injury, compared with only 30 per cent. in cars equipped with seat belts.

A marked improvement made by seat belts, Mr. Moore declared in his report, is preventing the ejection of car passengers. Primary studies show that, in the preventing of ejection, safety belts have cut the risk of a moderate to fatal injury by at least 75 per cent., and have cut the risk of dangerous to fatal grades of injuries by at least 85 per cent.

I might add, Mr. Speaker, that UCLA also did a series of controlled crash experiments and reports on the basis of these crashes and other studies. UCLA experts recommend seat belts, the removal of all dashboard protrusions, and collapsing steering wheels. They all mention that head rests to protect the head and neck would also assist.

They go on to say that with these precautions, the experts think, almost everybody would have a chance of surviving almost every automobile accident.

Mr. Speaker, if even the 3 lives of the children I mentioned earlier who had fallen from the cars driven by their parents had been saved, I suggest such precautions would have been well worth-while. Making such regulations as putting seat belts in cars mandatory would have been very well justified.

It seems to me we are reaching for the moon as far as safety is concerned, in trying to grasp something which is beyond our reach. Hitching one's wagon to a star might be good advice, but you know, Mr. Speaker, old Farmer Hickey would probably never have reached town if he had not compromised and hitched his wagon to the horse.

The point I am particularly trying to make is there are always things in this world within our reach, and there are always things that are not within reach for any of us, at least for the moment. We all get up and make speeches, we think of slogans and posters, and educational programmes. But when we are killing daily, in the province of Ontario,

approximately 4 people and injuring 86, it is quite obvious that we have not yet found the answer to highway safety. It is a great and glorious achievement when man finally does the impossible and he gets his name in the headlines, pictures in the papers and all that. This may be very well, and undoubtedly is as it should be. But the only hazard that arises comes when we grow too contemptuous of things that are not impossible, and achievements that are not phenomenal—I mean when we are too interested in the unobtainable fruits at the top of a tree to appreciate the fruits within our reach, yes, when we lose sight of the fact that, when reaching for the top, it is almost traditional to start at the bottom. The bottom in the case of highway safety is where we will show some success and where we will have it.

From my observations I suggest that the two rungs in the ladder of success, as far as highway safety is concerned, would be compulsory legislation for the installation of safety devices in automobiles, and the introduction of driver-education in all high schools.

I submit, Mr. Speaker, that there is enough factual evidence available to the government toward making both mandatory in the province of Ontario. If there is still some doubt in the minds of officials, then I would strongly recommend that a select committee could be set up to investigate these two particular aspects of highway safety.

Mr. G. T. Gordon (Brantford): Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I move the adjournment of the House. We will go ahead with the debate tomorrow.

Motion agreed to.

The House adjourned at 5.55 of the clock p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Friday, February 21, 1958

Speaker: The Honourable A. W. Downer

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, FEBRUARY 21, 1958

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Motions.

Introduction of bills.

CITY OF NIAGARA FALLS

Mr. A. Jolley moves first reading of bill intituled, "An Act respecting the city of Niagara Falls."

Motion agreed to; first reading of the bill.

TOWN OF FORT FRANCES

Mr. W. G. Noden moves first reading of bill intituled, "An Act respecting the town of Fort Frances."

Motion agreed to; first reading of the bill.

TOWN OF ALMONTE

Mr. J. A. McCue moves first reading of bill intituled, "An Act respecting the town of Almonte."

Motion agreed to; first reading of the bill.

SOCIETY OF PROFESSIONAL DIRECTORS OF MUNICIPAL RECREATION OF ONTARIO

Mr. T. L. Kennedy moves first reading of bill intituled, "An Act to incorporate the society of professional directors of municipal recreation of Ontario."

Motion agreed to; first reading of the bill.

CITY OF WINDSOR

Mr. McCue moves first reading of bill intituled, "An Act respecting the city of Windsor."

Motion agreed to; first reading of the bill.

TOWNSHIP OF SUNNIDALE

Mr. G. G. Johnston (Simcoe Centre) moves first reading of bill intituled, "An Act respecting the corporation of the township of Sunnidale."

Motion agreed to; first reading of the bill.

SYNOD OF TORONTO AND KINGSTON OF THE PRESBYTERIAN CHURCH IN CANADA

Mr. A. A. Mackenzie moves first reading of bill intituled, "An Act respecting the synod of Toronto and Kingston of the Presbyterian Church in Canada."

Motion agreed to; first reading of the bill.

CITY OF HAMILTON

Mr. Child moves first reading of bill intituled, "An Act respecting the city of Hamilton."

Motion agreed to; first reading of the bill.

VILLAGE OF WEST LORNE

Mr. J. P. Robarts moves first reading of bill intituled, "An Act respecting the village of West Lorne."

Motion agreed to; first reading of the bill.

UNITED COMMUNITY FUND OF GREATER TORONTO

Mr. A. H. Cowling moves first reading of bill intituled, "An Act respecting the United Community Fund of Greater Toronto."

Motion agreed to; first reading of the bill.

CITY OF TORONTO

Mr. Cowling moves first reading of bill intituled, "An Act respecting the city of Toronto."

Motion agreed to; first reading of the bill.

CHARTERED INSTITUTE OF SECRETARIES OF JOINT STOCK COMPANIES AND OTHER PUBLIC BODIES IN ONTARIO

Mr Robarts moves first reading of bill intituled, "An Act to incorporate the chartered institute of secretaries of joint stock companies and other public bodies in Ontario."

Motion agreed to; first reading of the bill.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1. Report of the Provincial Secretary of Ontario with respect to the administration of part 9 of The Corporations Act, 1953, for the fiscal year ended March 31, 1957.

2. Report of the Provincial Secretary of Ontario with respect to the administration of The Corporations Act, 1953, and The Mortmain and Charitable Uses Act, for the fiscal year ended March 31, 1957.

THE LAND TITLES ACT

Hon. A. K. Roberts moves that government-order No. 21 be discharged and that Bill No. 65, An Act to amend the Land Titles Act, be referred to the committee on legal bills.

Motion agreed to.

Mr. Speaker: We would like to welcome to the assembly this afternoon students from the Robert Land School and the Claire Lee School from Stratford. We welcome these students who are here to view the proceedings of the House.

Mr. R. Whicher (Bruce): Mr. Speaker, before the orders of the day I have a question that I would like to address to the Hon. Minister of Education (Mr. Dunlop). In today's issue of the *Toronto Daily Star* there is an article from Niagara Falls stating that The Department of Education officials at Queen's Park had indicated to the officials at Niagara Falls that there would be no grants forthcoming for the 4-day period that the schools had been closed during this week's storm. Was this true?

Hon. W. J. Dunlop (Minister of Education): Mr. Speaker, the answer is in the affirmative, it is true. There is no provision in the Act, or in the Regulations, for reimbursing school boards for loss of grants when schools are closed on account of weather conditions.

Mr. Whicher: Mr. Speaker, I would just like to add that I realize that sometimes these things happen when seemingly nothing can be done about it. But the hon. Minister of Education very graciously made an exception when the Asiatic flu was going across the province, I believe, and inasmuch as this affects some 13,000 students I would point out that the grants are based entirely on attendance and the number of days the school is open during the year. I would suggest that this would be a very hard burden on the school board at Niagara Falls, and I would hope that he could make an exception in this case.

Hon. Mr. Dunlop: Mr. Speaker, no concession has been made in the case of the Asiatic flu. The matter has been under consideration, under careful consideration, but so far I see no means by which boards can be reimbursed for loss of grants during the Asiatic flu.

Mr. Jolley: Mr. Speaker, well, sir—

Mr. Speaker: Is the hon. member asking for clarification of the question?

Mr. Jolley: Mr. Speaker, I had already discussed this matter since, it is my riding in Niagara Falls, with the deputy minister, and the subject was under advisement between he and the hon. Minister, and I think if my hon. friend from Bruce will leave my riding to me, I think I am quite capable of looking after it.

Mr. D. C. MacDonald: He is getting touchy on that matter.

Hon. Mr. Dunlop: Being leader, the hon. member for York South (Mr. MacDonald) has to look after all of Ontario.

Mr. MacDonald: That is right, that is right.

Mr. Speaker: Orders of the day.

SPEECH FROM THE THRONE

Mr. A. J. Reaume (Essex North): Mr. Speaker, I want to say at the outset that I think that you are probably one of the finest men who ever occupied that high office and I hope that you will be there for a while yet, not a long while, but for a while, because you are a man among men. More important than all of that, you are a man also of the cloth and one whom I think adds everything to the office that it could ask for, and in every instance you have always been fair, and so I hope that your health is good and that everything else re-

mains in your favour and that things go along well for you.

Some hon. members: Hear, hear!

Mr. Reaume: Now If I happen to mention a word or so about federal affairs, I hope that you will not call me out of order because there is plenty of precedent for it in the House. We have not heard anything else, since the opening of the House, but a lot of stuff coming from the opposite side of the House as to what they think the people here ought to do, and how they ought to vote, and to make certain that "Uncle John" gets into office again.

Of course I do not agree with that, but I want to say a word about a man whom I think is equally as important as this government's friend Uncle John, and one whom I think probably has had as much experience in the affairs of the world and that includes Canada too, and of course his name is the hon. Mr. Pearson.

An hon. member: Who is he?

Mr. Reaume: The hon. member has heard of him, and I suppose I could hasten and add, to all of that, that many, many thousands of people here in Canada, and I think indeed all over the world — even the fine people presently behind the Iron Curtain, and indeed the people of the free world—there are many, many millions of them who are hoping and praying that this same man, of whom I speak will go on after the end of March and head the government of Canada in the interests of peace.

Now I know that some hon. members are interested in shovelling snow and things of that sort, raking up a few pieces of paper here and there, but I do not think—

Mr. Auld: The hon. member is using a shovel.

Mr. Reaume: The hon. member for Leeds is using a pitchfork. I am using a shovel.

Hon. Mr. Dunbar: The hon. member for Essex North certainly is!

Mr. Reaume: I do not think we can overlook this great problem of peace.

Now it was not by any accident of course, nor did it play any part in the field of politics when this great man of whom I speak was awarded a very wonderful prize. My hon. friends on the opposite side of the House, of course, did not have anything to do with the awarding of that prize. If they had, he of course would have got some other kind of prize, but this prize was given as

an outstanding man of the world, not having anything at all to do with any parties. Therefore I want only to add to all the facts that the prayers, I know that your prayers as well, Mr. Speaker, coupled with ours, will be poured forth praying that this man will one day soon be at the head of the affairs of your country and mine, in the interests of everybody.

Mr. Cowling: Let the hon. member speak for himself.

Mr. Reaume: Well, we can try it, that is right.

Did hon. members know that, up until a while ago, Canada in this matter of peace, in the matter of keeping things running smoothly on the world front, stood out ahead of all other places of the world? The reason for it was because hon. Mr. Pearson was the man who advocated the policies that we should follow.

Apparently since last June there has been some secondary spot occupied by the people of Canada, and now other places are doing the talking, and Canada is following along in the background as a country that is not so important as it was, in the affairs of the world, prior to June 10.

Mr. Cowling: They are doing a nice job at home.

Mr. Reaume: Now I do not want to spend any time arguing any more about who shall be the Prime Minister of Canada, because we do not agree apparently on that one important point. For this reason, I feel that we will probably adjourn at an early date and give our hon. friends on the opposite side of the House, and a few from over here, the opportunity of going home and putting some of that stuff on the garden in order that they might make certain that the person they want in office gets there. Well, we Liberals will be back home too, doing what we can to make certain that they do not get their man in.

Hon. Mr. Dunbar: Let them go ahead with the shovel.

Mr. Cowling: The hon. Provincial Secretary is not kidding.

Mr. Reaume: Now one of the important things, of course, that bothers all of us, is the plight of the people who are now out of work. My hon. friend from Bruce stated in the House awhile ago that he thought that the plan of the hon. Prime Minister was a phony, I agree with what he said. As a matter of

fact, Mr. Speaker, I think it was worse than a phony, I think it was a fake, and was used only as a means of advertising in order that he might help his Rt. hon. friend up in Ottawa.

Now there has not been anybody so anxious, you talk about Toronto and Hamilton, even they have not been so anxious that they have stepped forward and said that they want this plan—

Hon. Mr. Griesinger: Oh yes, they have.

Mr. Reaume: That is what the hon. Minister thinks. Rather, if I can read the accounts in the paper properly, which I think I can, it was a plan which was offered by the hon. Prime Minister of the province, and he said this in effect: "You can take it or else."

Now, a week ago, when he first came out with the plan, it appeared when he rose and, in his nice quiet and smooth way, said that he was planning to keep everything within the 4 corners of this or that. It sounded at first hand as though it were a feasible thing, but what happened with it? Well, at that time, insofar as I am concerned, it sounded well. I was a little slow, but I want to add this, that the places that are involved—and it involves certainly the city of Windsor—and I had the opportunity of speaking to some of the officials from Windsor and they have not even talked about this plan as yet.

Hon. Mr. Griesinger: I talked to the mayor.

Mr. Reaume: That is what the hon. Minister says. I do not care who he has spoken to, this plan that he has offered is still in the office in Windsor. There is no interest in the plan at all, and they have made no provisions for using any part of the plan.

Hon. Mr. Griesinger: May I ask a question?

Mr. Reaume: Just a moment, and here is the answer to it.

In this plan the city of Windsor, and I suppose other places as well, are pictured as putting people on this important job—that the hon. Minister says is important, patching up a hole in an eavestrough, picking up peanut shells in the park.

Well now, the city of Windsor is using men presently drawing relief, and of that amount of cost they are paying 20 cents on the dollar, whereas this plan would call upon them to go out and do the very same type of work and pay 30 cents on the dollar. Now wherein lies the absolute sense of the plan?

This plan, of course, was adopted, it was approved by some places and, Mr. Speaker,

I want to submit that it was a plan that was worked out in a hurry, as all other plans are around here, and probably worked out by one man, the hon. Prime Minister of the province, who thought that it was going to look like a big deal in headlines of the papers across the country: PREMIER GIVES \$5 MILLION AWAY TO HELP THE POOR UNEMPLOYED.

I want to say he is not giving anything away at all, because the experience in Windsor has been that every time the hon. Prime Minister starts to give something away, we have to examine those parcels for fear there is a bomb in them. We want to make certain that—

Hon. Mr. Warrender: That is not what the people think.

Mr. Reaume: Oh, that is not what the people think? Now the people of Hamilton—the hon. Minister comes from that town, and I have a paper here—

Hon. Mr. Griesinger: What did the mayor of Hamilton say?

Mr. Reaume: And the control board of Hamilton.

Hon. Mr. Griesinger: May I ask the hon. member for Essex North a question?

Mr. Reaume: Go ahead, the hon. Minister is my friend.

Hon. Mr. Griesinger: The hon. member says the plan is entirely phony?

Mr. Reaume: I say it is worse than phony, I say it is a fake.

Hon. Mr. Griesinger: I have asked the question whether the hon. member is opposed to it, regardless of the fact that it may give work to a few or may give work to many.

Mr. Reaume: I am saying this, that if the people on the opposite side of the House want to do what is fair and proper—and the hon. Minister comes from Windsor too—I say they ought to, and now, give them a grant. There is plenty of useful work, there is plenty of real work that they can do in Windsor like they can do elsewhere—more important than going around in the park, picking up papers and peanut shells. For instance, it is all right for the squirrels.

Hon. Mr. Griesinger: Let the hon. member answer my question.

Mr. Reaume: The hon. Minister knows that they are going to build an auditorium in Windsor, for instance. He knows that they are crying for houses. He knows there is a section of

Windsor which is old, and they want to pull it down and build it up again. There is plenty of work of importance in Windsor, as I imagine there is in other places.

Now, if this government wants to help, let them give the municipalities a grant without tying a lot of strings on it, and I am certain that the mayor of Windsor and the board of control and the aldermen of Windsor are quite capable of using that money where it is best fitted.

Now, yesterday afternoon in the House, the hon. Prime Minister spoke of what was going to happen here in Toronto. I think it was said that there would be men at work in the parks today. Well, I want to make this statement, that we just called and there is not anybody employed in the parks as yet under this plan.

Now if the hon. Prime Minister wants to enter into a public works scheme, why does he not do it?

Back in 1933 and 1934, the Premier of the province at that time (Mr. Henry), saw there were people unemployed too. He was an honourable man, a big-hearted fellow, who instituted a work scheme for the purpose of helping people who were unemployed. So he hired an army of men and he put them out on the roads digging holes here, digging holes there, and then had another army of men following behind filling them up. And then when 1934 came along, he dug himself a big hole and then Hepburn covered him up.

Mr. Auld: The Liberals dig a lot of holes.

Mr. Reaume: But there was one thing about that plan which I think was fair; if the province wants to enter into what I say is a plan that is fake and phony, why do they not pay the whole bill? Why are they asking anyone else to take part in this plan that I say is a fake?

Mr. MacDonald: He catches on after a week.

Mr. Reaume: In 1933 and 1934, Premier Henry and his people paid the entire bill, they did not ask anyone else to pay it. But this government comes along now with this kind of a plan, and tries to saddle it onto places that are already overburdened, and there is not going to be many of the places which are going to take advantage of the plan. Time will, I think, prove that.

Mr. Grossman: Will the hon. member permit a question?

Mr. Reaume: I was speaking to the hon. member in the hall, he could have asked me out there.

Mr. Grossman: All the hon. member has to do is say yes or no.

When the hon. member suggested that should be no conditions attached to the grants, they should be unconditional, and they should be without regard to any payment made by a municipality. I ask him whether he would be good enough to speak to the hon. leader of his party (Mr. Oliver) and ask him whether, when he was hon. Minister of Public Welfare of this province, he did not agree that it was a good thing, when giving grants, when making grants to municipalities, to make sure they have an interest in the expenditure, whether it was not a sound principle then as it is now, not to have one spending group and one taxing group?

Mr. Thomas: How many questions is the hon. member asking?

Mr. Speaker: Order.

Some hon. members: Sit down!

Mr. Reaume: Is the hon. member through?

Mr. Grossman: Does the hon. member think this is a logical question?

Mr. Reaume: The only thing I have said is that, if they want to set up an advertising agency to the extent of spending \$5 million, then for goodness sake let them spend your own funds. That is all I said.

Hon. Mr. Griesinger: I do not remember the hon. member saying anything about an advertising agency.

Mr. Reaume: Well, I did say it.

Hon. Mr. Griesinger: May I just say another word. Today it will be announced in the Windsor paper that the contract for 203 low-rental units will be let, something that was put through with the greatest speed that any housing development has been put through in the last 5 years.

Mr. Reaume: Well, I am awfully happy to hear that.

Mr. MacDonald: That is irrelevant. That is in addition to the \$5 millions?

Mr. Reaume: I just want to say that every housing scheme in Windsor has happened with the greatest amount of haste, and we have always handled things up there in that way, but I want to repeat again, that Windsor, I think, is one of the most important and, indeed, the hardest hit places in the province. And instead of handing out an over-all plan that applies to all of the prov-

ince, to people who do not want it, why not work out some kind of a sensible scheme for places that are hit and hit hard? Now we thought back in May—there was a speech made there, a good speech I thought—Rt. hon. Mr. Diefenbaker came to town and he was talking about the excise tax on cars, and I remember quite well in a crowded hall, overpacked, he said: "Now, when I am the Prime Minister of the country, we will wipe this 10 per cent. excise tax off," and so what he did was—after it was all over—to take off just a small portion of it.

An hon. member: 2.5 per cent.

Mr. Reaume: So I think he is doing the same thing pretty much as this government is doing, it is just helping out in a small, small way. There has been no indication from places such as Oshawa, Windsor, London, Chatham, places of that sort, that they even want any part of the plan.

Therefore, I think it would be well and wise, if the hon. Prime Minister wants to institute a plan, let him get a sensible one that is going to help people. Why does he not call in the heads of the people of the communities which are involved, and sit down with them and have a talk. But he did not do that. What he did was to have a talk with the officials of one place—Toronto. And based upon what happened there, he now applies a scheme that has to apply to all of us, and we just do not think it is right, and we think that there is a way, a more equitable way, that the hon. Prime Minister can do it.

Mr. Cowling: What is it?

Mr. Reaume: Well, it is this: I have heard so much about the credit of the province. Now if the credit of the province is so good, why does the government not unfold that credit and use it to the benefit of the places which are involved? I have stated here before that I feel that the city from which I come is now going through awful times. If the credit is so good, why does the hon. Prime Minister not offer them a loan, in order that they might go ahead and institute work, a loan at reasonable interest rates, so that they could institute work and put some of the unemployed up there on a job, doing something that is worthwhile? Now there are a large number of people in the province, 280,000 who are unemployed, people who are walking around all over the streets, talking about every kind of an "ism" and there is no condition that will

bring these "isms" on any faster than the matter of having people out of work.

I know the hon. members can smile at me. They think that probably in a month's time this thing will have passed, but from everything that we read instead of it going away, instead of the unemployment situation improving, it steadily is growing worse, and so there has to be some serious thought on the matter. None of these pick-up-paper deals will do, they will not help anyone.

Hon. Mr. Warrender: Oh yes, they will.

Mr. Reaume: They will not.

I think the hon. Minister will find, in a short while, that after these places have had the opportunity of going into the plan, that they will turn the plan down flat. Why is it now in the Hamilton papers, and in every paper we find, they are finding fault with the plan and are thinking it over. In fact, some of them have said this: "We don't want any part of the plan because we do not think that the plan is feasible."

Hon. Mr. Griesinger: May I ask a question, Mr. Speaker?

Mr. Reaume: No. No.

Hon. Mr. Griesinger: Oh, it is purely—

Mr. MacDonald: He does not want any answer.

Mr. Reaume: Let the hon. Minister make his own speech. He can read me, I know, all kinds of articles, but I just say if the hon. Prime Minister wants to help the people, why does he not sit down some place and have a talk? What has happened to all government hon. members over there is that this deal has been handled by one man and it is going to be awful—if ever anything were ever to happen that that one man ever goes—because the wheels will fall off the hon. members' wagon and the stuff that they have been hauling around in that wagon will fall all over the earth.

Mr. Cowling: We are going to dump it on the hon. member.

An hon. member: That is the truth.

Mr. Reaume: Mr. Speaker, I wanted to say a word about the ads that we see that pertain to alcoholic beverages.

Mr. MacDonald: It is like fluoridated water. That is the hon. member's trouble.

Mr. Reaume: Probably, I am one who should not even be speaking about this, but

if I ever have heard, or if I have ever seen, a government which acted like a bunch of hypocrites, this government is it. Now the other morning—it is not nice but it is true—the other day, riding on a car here in Toronto of all places, I was looking at the ads in the car, and I saw a nice printed sign. It said, “Think of the Birds.” Think of the birds! Why not open up a feeding station? And under that was the picture of a nice-looking man with a red cap on his head, with a long peak, and then it says underneath that, Carlings Red Cap ale.

Mr. Grossman: That is for the birds.

Mr. Reaume: That is for the birds!

And then from every station, Buffalo or Detroit, every time we put it on, all we see there are ads from places across the line—people walking around with trays full of bottles.

Now, the point is, I know that we cannot stop pumping in these ads from other places, but if we do allow these sort of ads in the province, is it going to have any bad effect on people who drink or people who do not drink?

After all it is a fact, these ads are here. They come in books that are printed elsewhere. We see them every place that we go. What harm is there? We cannot stop it anyway, so why not allow it? Is there anything wrong with it? I think that what this government ought to do is to adopt some kind of a policy, one that is not a policy of a hypocrite but a policy that fits in with the thinking of the people.

I want to say a word about our schools. I understand that in the estimates, or even prior to the estimates, there is going to be a statement made regarding our schools and educational grants. I understand that those grants are going to be up and I think that is a very excellent thing. But I want to say that in this business of schools, that it is pretty near time that the separate schools of the province got some sort of a break. Now far be it from me, to bring up anything in the House that will in any way cause an argument over this type of thing. But I say to whoever the responsible heads are, we have adopted this system in the province and, having adopted it, then I think that we must help it along.

I could go on for an hour and explain the hardships that some of these schools are having. But a commitment ought to be made; something should be done and done quickly, because, after all, these people who send their children to those schools are just as

much entitled to the same fair play as the others are getting.

Now I have here an article in the paper and it has to do with the number of people of Detroit and the Detroit area who came on a trip here into the province to hunt rabbits. Of course, we have been urging our friends from over there to come on over—“anxious to have you”—but back in 1956, some kind of a Act was passed that said that a party of over 12 could not hunt, and this group was a party of 18. So here is what happened.

As the officers of the department were hiding behind a tree or something, watching these people enter a farm for the purpose of going hunting—because they all had guns of course, and they were not here for the purpose of killing people—

Hon. Mr. Nickle: How does the hon. member know?

Mr. Reaume: —well, I know they were not. They were all fine people. Here is the point, that the officers stood behind a tree or something, and waited until these people broke the law and then stepped up to them and seized all the guns.

These people were brought up in court, in Exeter, and when they appeared in court, the magistrate quite properly gave the officers involved a scolding and threw the case out of court.

Now, I think that the responsible heads of The Department of Lands and Forest should call these officers in. If we are trying to encourage people to come over here from the other side for the purpose of hunting, or for other purposes, then we should not be hiding behind trees waiting until they break a law for the purpose of putting them in jail.

Now the other thing that I want to speak about—is that all right with the hon. member?

Mr. Grossman: We are afraid of getting shot.

Mr. Reaume: Going back for a moment—and I want to speak for only a moment, again, about this great person whom I have already mentioned, the next Prime Minister of Canada, the hon.—

An hon. member: Mr. John Diefenbaker.

Mr. Reaume: Mr. Pearson is his name. He was to speak at the Ontario Agricultural College—

An hon. member: Oh no, he was not.

Mr. Reaume: —he was invited to speak at the Ontario Agricultural College. Now we find out that the person—well, it is here in the paper, of course—that the person who said that he could not speak at the O.A.C. was the deputy minister of agriculture.

Mr. Monaghan: Who said that?

Mr. Reaume: Well, it is here in the paper, of course.

Mr. MacDonald: He cannot read.

Hon. W. A. Goodfellow (Minister of Agriculture): Mr. Speaker, on a point of order. I am sorry I was not in the House the night before last when this matter came up. The first I heard about the fact that hon. Mr. Pearson would be in Guelph, I got a call from 3 newspapers. I knew nothing about it, and I told them it was entirely within the jurisdiction of the president of the college.

The officials of the Ontario Agricultural College discussed with myself, and the deputy minister, the matter of having public meetings there. As far as I am concerned, I think it is a splendid idea, if the students' council or some other responsible body wish to invite in all the candidates and to allow the candidates to discuss the issues of the day. But I do want to say, Mr. Speaker, that the deputy minister and myself knew nothing about any invitation that had been extended to hon. Mr. Pearson to be at the college.

Mr. Reaume: May I thank the hon. Minister.

Mr. Kerr: Is he not going to read the article?

Mr. Reaume: No. I accept his statement on that. I do not think I will go any further with that.

Mr. Speaker, we apparently have answers for everything on the opposite side of the House today.

Mr. Grossman: The principal himself said that he did not discuss this with the deputy Minister.

Mr. Reaume: That is right but the hon. Minister has answered, I think, for the time being.

Mr. MacDonald: They could change their minds.

Mr. Reaume: I wanted to mention one other thing.

In the paper only a week ago or more, the man who calls himself the "Super Mayor of Metro," by appointment, of course—

Mr. Grossman: He never called himself that.

Mr. Reaume: Who called him that?

Mr. Grossman: He never called himself that at any time.

Mr. Reaume: —the Super Mayor of Toronto then, we will use that term, then—

Mr. Grossman: The only people who called him that—

Mr. Reaume: —in any event, he is the Super Mayor of Toronto. I called him that then if the hon. member has not.

Mr. Grossman: All right.

Mr. Reaume: As an article the other day in the press regarding burglaries of banks, and he said that these officers should be well armed and start shooting people all over the place, and then when the matter arises in the House, my hon. friend across gives it the answer. Well, I think, he does not answer the thing at all, he merely says this. "Well if the banks would put on more guards, this would solve it."

It would not solve the fact that this Super Mayor, that this man who is Super Mayor by appointment only, speaking for all the people around here, it would not—

Mr. MacDonald: The only one in the world.

Mr. Reaume: I think the only one in the world, yes.

Interjections by hon. members.

Mr. Reaume: We agree probably, that if they were to put more guards in the banks, it would help in stopping a lot of burglaries, but are we going to stretch it further? Are we going to say that every man who operates a business should have an officer at the door or a guard for whom he also has to pay? If so, that also would stop a lot of holdups.

After all, banks or business people or whoever they are, are paying, every year, a substantial amount of money in the way of taxes for the purpose of being certain that there will be ample officers around in order that they might help them, and guard them without anybody issuing any orders that they should shoot people, whether they are certain that they are holding up a bank or not.

Mr. Grossman: Did Mr. Gardiner ever say that? Now, he hardly said to shoot people whether they are guilty or not.

Mr. Reaume: "Shoot to kill," those are the words.

Mr. Grossman: Well, I know, but he did not say shoot to kill anybody. Now that is quite a different thing. I may not agree with what he said but that is not what he said.

Mr. Reaume: Well now, there are plenty of people who are out of work, so if we do not have plenty of officers to handle the whole job, this problem could be easily solved. I think that the Attorney-General (Mr. Roberts) is quite able—and I think he ought to have at least a good department, one that is efficient—but if he wants officers, we have plenty of people in Windsor who are unemployed who would be anxious for the job. I do not think it is right, I do not think it is proper that any man, because he happens to be a high-browed member of the Progressive-Conservative party, and that is exactly what Mr. Gardiner is, should be allowed to go around this province and make those type of statements without somebody telling him that it is wrong. Now, if this government is going to allow it, if he is going to speak for the department, if he is going to speak for the government, well, nothing was said about it.

Hon. Mr. Roberts: Mr. Speaker, on a point of order. The point of order is that this hon. member has made a statement that somebody outside this House, and not an elected representative, is speaking for my department, and I immediately challenge him on that.

I speak for my department, and I spoke in answer to a question a day or two ago on this very point which I thought my hon. friend—I believe he was in the House—could understand at the time.

There is a law which was made long before I was here, governing this sort of thing, and we ask people to abide by the law. There need be nothing more than that, but if my hon. friend is going to suggest to the House that, because institutions which are close to monopoly in their position by reason of the small number of them, because they might protect the public and protect lives and also protect themselves by having uniformed guards at their own expense in certain of their own premises, that guards should be extended all over the place, then of course he is talking complete nonsense.

Also if he is suggesting that because the mayor of Metro makes certain statements in a free country, where thank God he can make them if he wants to on his own responsibility—

Mr. Wren: Well, who appointed him?

Mr. Yaremko: Metro council appointed him.

Hon. Mr. Roberts: —and certain members of the party of my hon. friend made equally irresponsible or more irresponsible statements at public meetings recently, that we should go around checking them all up, then that would lead to a police state with which we will have nothing to do.

Interjections.

Mr. Reaume: All I am going to say is this, How long are they going to sit back and give us those kind of answers here in the House? Now here is a responsible man who made a statement—and I think a pretty broad one—and the hon. Minister says that he was appointed by other people, but in effect he was appointed by this government.

Interjections.

Mr. Wren: The only official this side of The Iron Curtain.

Mr. Reaume: How long are we going to sit back—

Hon. Mr. Roberts: He was not appointed by me.

Mr. Cowling: What difference does it make, anyway?

Mr. Reaume: If an hon. member of the Opposition were to make such a statement in the House, or out of the House, I am certain that the government hon. members would probably crawl all over him.

Now the only thing I am asking the hon. Minister to do is to write him a note and say "stop talking foolish." He is supposed to be a person in an important sort of job, and the sooner that the people of the area here have the opportunity of doing as we all do in other parts of the province—picking our own people who shall act as a mayor or super-mayor or something of that sort—the better off that we will all be. I am part of the province—

Mr. Grossman: No question about that.

Mr. Reaume: Well, going back now, if you will, for a moment to the city from which I come, it is as hon. members know the automotive capital of the empire, there is no question about that statement. Windsor is and always has been the automobile capital of the empire. Although it is true that up there we have had some arguments in the past between industry and those who work for the industry, it was evident that these troubles would occur, because we are

on the front or the back porch, whichever way on wants to put it, of the great city of Detroit. There is forever the shadow of Detroit overshadowing Windsor, so that when problems occur between employee and employer over in Detroit, they happen very quickly in our town too.

Now I am hopeful that most of our troubles are past because, in the event of a strike I sometimes wonder whoever wins a strike, I sometimes wonder if anybody ever wins a strike and we have had our fair share of them.

But I am hoping and praying, along with all hon. members, that some day here, in the province, employer and employee might find some ground, common ground upon which both of them can stand, because if they do not agree, if they cannot work out some kind of a plan that is going to be good for all of us, then these strikes are going to go on and on. It is the hon. members' province and mine, their country and mine, that will eventually be hurt.

Very soon there will be something brought down, I hope, in the way of amending The Labour Relations Act of the province. What those amendments will be I do not know, but I think that each and every person on the committee is bent on one thing, doing what he can in order that we might bring down some sort of an Act that will bring the employer and the employee closer together.

This, I think, is one of the most important jobs that we have. I feel certain, with the able hon. person at the head of the committee that we have—my hon. friend who is not in his seat, he is probably making a speech for Rt. hon. Mr. Diefenbaker—and all the other hon. people on the committee, I feel certain that we will bring down something that will bring harmony to the people of the province.

Now, Mr. Speaker, in conclusion, may I point out that I heard it said, yesterday afternoon, by a very dear friend of mine on the opposite side of the House that he was angry, angry because we said something about the hon. Prime Minister of the province. I do not think he was really angry at all, because he is not the type a man who is ever angry, but the function of opposition is to criticize, and we must not fall down in our work, of course, because I have never seen such a group of 80-some odd people who have ever joined such a choir as the hon. members have joined. They must have choir practice every afternoon.

"Mr. Frost can do no wrong, never has and he could not if he wanted to—"

Mr. A. G. Frost: How about harmonizing?

Mr. Reaume: Oh, they are harmonizing well, but I just want to say again that the hon. Prime Minister of the province indeed is a very fine man, I think that all hon. members of his party should spend all of their time making certain that he stays well, because again I want to repeat that if anything ever happened that he is out of the House and is not at the head of the party, the rest of the hon. members opposite will exit from this House as though they thought an A-bomb had dropped on the roof.

Mr. E. P. Morningstar (Welland): Mr. Speaker, and hon. members, in spite of the fact that we are going through a soft period economically, progress and expansion along many lines continues all over the Welland riding. Industry is in the forefront. In March of this year, Page-Hersey Tubes Limited will open their eighth mill and electric resistance units at a cost of over \$5 million. Only a year ago, this important Canadian industry, in association with the Steel Company of Canada, began production at Welland Tubes Limited of the first big inch pipe to be manufactured in Canada. This has had the effect of sizable Canadian participation in the construction of the transmission lines that are being stretched great distances across our land.

In June, Atlas Steels Limited will complete a modern new office building at a cost of \$600,000, to be featured by exterior panelling of stainless steel, a product for which Atlas of Welland are justly famous.

In Port Colborne there is power advance in progress, the International Nickel Company have completed a change at a cost of \$250,000.

The campaign for a new Welland area hospital will continue this year, and a start will be made on the construction of the new institution to cost in excess of \$4 million.

May I say that the decisions by both the federal and provincial governments to increase hospital construction grants have been great boons to this necessary projects.

Negotiations are under way between the city of Welland and the townships of Crowland and Thorold to bring about an aerial sewage disposal plant under the terms set out by the water resources commission.

New schools, public and separate, continue to go up all over the riding, and this year will see completed a second Pelham district high school located at Fonthill, costing \$600,000.

There have been notable achievements in sports in the riding in the past years. Last March the Port Colborne Juveniles, sponsored by the Lions Club in town, won the Ontario minor league hockey championship.

This month, Welland schoolboy curlers earned the right to represent southern Ontario in the Dominion finals at Charlottetown.

Marlene Stewart Streight of Lookout Point at Fonthill continues to dominate Canadian women's golf, and this year the city of Welland will have senior lacrosse, with the transfer of the St. Catharines Athletics from the garden city to Welland as their home base.

The riding of Welland and Welland County offer many great attractions to visitors, and the hon. members themselves would find it very much worth their while to tour the territory.

The city of Welland holds out a particularly warm welcome this year since it is marking its centennial. The week of July 20 to 27 has been set aside for the main celebrations, and I know that anyone who plans to join us in Welland over that period will be royally entertained.

Mr. Speaker, we in the west riding do appreciate the wonderful co-operation which we received from both the provincial and federal governments in making a road on the west side of the Welland ship canal, from Port Colborne to Welland, a reality. This road has gone a long way in alleviating some of the congestion in the city of Welland. We are now asking our hon. Minister of Highways (Mr. Allen) to extend this road northerly to connect the Queen Elizabeth highway at St. Catharines, to construct an overpass on highway No. 3A at Thorold.

We would also strongly request our government, especially the hon. Minister of Highways, to negotiate with the federal authorities to make it possible to provide underpasses or overpasses for the Welland ship canal in the Port Colborne-Welland area, as I feel this is the proper time when the deepening of the St. Lawrence is under way.

In my capacity as an hon. member, serving Welland in this House, I have no hesitation in expressing my warm interest in our elderly citizens. I have made my time readily available, particularly to several older people, on every occasion, and I am very pleased to see that the recommendations that I made a year ago have now become effective.

Hon. members may recall that I strongly recommended an increase beyond the unrealistic allowance of \$40 a month being paid at that time.

This year the amount of \$55 is of course a reality. Where there are extraordinary problems, a supplementary grant is made available through the municipality. This additional allowance may be granted up to a maximum of \$20 a month where the need is evident, with the province paying 80 per cent. of the cost.

I would suggest also that an injustice has been corrected in the treatment of the older persons who have lived in Canada for just 10 years. Now such a person can qualify for both old age assistance and a universal old age pension. The previous basis of 20 years was discriminatory, the 10-year period is far more logical and fair.

I should add that many fine citizens born elsewhere than in Canada have reason to be grateful for this changed attitude in regard to residents in Canada.

I would like to give much credit to the hon. Minister of Public Welfare (Mr. Cecile) in bringing this matter so forcibly to the attention of the government of Canada.

Pensions in themselves do not meet all the requirements of the older person. Many of them need extra care, and people in hospital are maintained, and comforts provided, in homes for the aged.

I am indeed pleased to learn that the government plans to encourage the development of homemakers' services so that municipalities may make available the services of such a person to assist older people, and families with children in their own homes. Visits on the part of homemakers to homes of elderly persons and families will of course help to lessen premature institutional care for the older persons and the unnecessary placing of children in foster homes or institutions.

Hon. members may recall that my own occupation is one which is closely related to the ordinary working man in industry in Ontario. We deal in steel. Our company provides employment for many, many persons. We are one of the major suppliers of pipe for gas and oil companies in Canada.

We do, however, face great competition from our neighbours to the south, and from the European countries, because of mass production methods and sometimes lower wages. I am raising the matter today because ours is a highly competitive field, serving Canada and its working man. I would add that about 75 per cent. of the steel used by my firm is of Canadian manufacture, and hon. members realize that this industry itself in Canada

has real competition from plants in other countries.

There are many firms operating in my riding who are engaged in the metal industry. Our working force is highly specialized in this field, and we must preserve our markets. I have made representations on behalf of our people to be sure we have fair competition. We are not asking for bonuses or premiums of any kind, but we do want to preserve Canadian industry for Canadians.

My riding is adjacent to the American border; I mention this because many of our people are aware of, and have personal experience with, the social security scheme in the United States. We can readily see the difference in each country. I am still hopeful that a better rounded scheme of social insurance can be developed in Canada, which will take into consideration the standards of living of our people, to provide proper means whereby they can contribute through their productive years towards their time of retirement and receive a realistic allowance.

I would repeat to every hon. member of this House, especially those whose ridings border on the United States, that the social security programme in that country is far superior to our own plan, and is operated at very little additional cost.

May I say, while on the subject of the security of our people, that I was pleased to see our mothers' allowances granted on a basis which is more closely related to the needs of the families. It is possible that further adjustments may be required, but from what I have heard so far, there is a vast improvement in the programme as a whole, and in the allowance available to the majority of the mothers and children who receive this assistance.

For our people of Ontario, the forward step in the cost of hospital care must be spread across the population as a whole. This is most desirable, and proves the principle of insurance. Certainly this is a programme which outdoes anything in the United States.

I am given to understand that those who are unable to pay the necessary premiums, such as recipients of our welfare programmes, will be served without cost if hospital care is required. May I say, Mr. Speaker, that I consider it a great privilege to serve all the people of my riding and especially those who are in troubled circumstances.

Welland is a superior county, and I think I am justified in being proud of the people who live in my riding. I appreciate the co-operation I have received from all depart-

ments of government, particularly from the workmen's compensation board and The Department of Public Welfare. I am quite free to admit that much of my time is spent in the interests of the people of my riding who are without resources of a breadwinner in full-time employment. Much has been said about unemployment, and I readily agree that it is a tragedy to find willing workers without a job. But I have enough confidence in this province, in its people, and Canada as a whole, to say that our progress towards even higher standards of living is assured, and that the various measures now under way will certainly overcome our present difficulties. Certainly all the levels of government must proceed and continue with housing and public projects in periods of such slack employment.

Mr. Speaker, may I say how much I have appreciated this opportunity of expressing my views to you and the hon. members of this House. I can only add that I consider it a great privilege to sit in this Legislature, to be a part of a government which is striving so well to serve the best interests of all people.

Mr. W. G. Noden (Rainy River): Mr. Speaker, it is an honour and a privilege to take part in the affairs of this Legislature, and I want to express in words how ably you assume the responsibility as Speaker of this House.

After listening to the remarks this afternoon and the past number of days, may I say I think it would be a good thing to have a change of air and let me take hon. members to the other end of the province where things are a little milder. I would say at times they are milder, after all I think they run quite smoothly, and I think, Mr. Speaker, you can relax now for about 15 minutes, and I will not bother you too much or rub you too hard, but I will let you hear what I have to say.

I enjoyed the talk of the hon. mover of the address from the speech from the Throne, the venerable hon. member for Peel (Mr. Kennedy), and when he made that statement about the fibre of a family making a nation, I thought how true that is, how proud he can be of the 6 grandsons who are part of that statement.

The hon. seconder, the hon. member for Glengarry (Mr. Guindon) outlined what good government was doing and proposing for Ontario, increasing grants for education, welfare, further assistance to municipalities. What he said about hydro-electric power extensions

to rural areas applies to the Rainy River district to a great extent. It gives those people that electrical energy which is so important. When one neighbour sees the other neighbour no longer needing a coal-oil lamp, he becomes envious, so naturally this is a good move.

Regarding the hospitalization plan which is coming into effect this year, I listened and agreed with a statement by the hon. Prime Minister of this province which he made to the 21 delegates representing northwestern Ontario associated chambers of commerce. We must not miss a bet. These 21 delegates, representing nearly every community in northwestern Ontario, arrived here by chartered plane, giving of their time and money in order to place before the hon. Prime Minister and his cabinet certain resolutions relating to the problems of our area. Their purpose was to help the government, in their constructive thinking, to move forward with optimism in a programme that will promote development.

All this lends encouragement to both individuals and industry in the job to be done.

Speaking on some aspects of the speech from the Throne, I can only add some of my own views which have been formulated as the days move on. Today there is much dissension and discussion as to employment, financial restrictions, trade and commerce, and the reasons for the ups and downs in our economy. Most of us remember that this situation has been going on throughout our lives, yet we feel it is a law of demand and supply that controls in the final analysis.

The other day the hon. member for Riverdale (Mr. Macaulay) used the expression "tight money". And then he went on to describe the meaning—when one neighbour wants to borrow a cup of sugar from another but on going to the cupboard they found there was none.

We know the former Liberal government at Ottawa created this thing—for what purpose? None of us know. When they were building up a reserve within their budget of \$500 million, of the taxpayers' hard-earned dollars, it caused the tightening up of money, that is, higher interest rates and difficulty in procuring money for development and expansion purposes. This has affected our general economy.

To my way of thinking this should not have happened. Some hon. members will have read the commercial letter of Decem-

ber 8, 1957, of one of the Canadian Banks of Canada, and I quote:

During the past year, deposits grew to a new high of \$2,406,843,000, an increase of \$127,746,000. Personal savings deposits and other deposits increased by \$53,476,000 and \$50,864,000 respectively. Each attained new high levels of personal savings now totalling \$1,166,237,000 and other deposits, \$1,055,983,000.

These figures become more meaningful when it is realized that the bank serves more than 2 million personal and business customers. Let me point out that this is only one bank reporting. This increase in the savings of the people must come from the labourers, the white-collar workers, the small business man, farmers, corporations, and all classes of people.

Then why should there be tight money? Only because of the lack of confidence to invest, created by the policy of the previous Liberal administration. That old saying still applies: "You must speculate to accumulate."

What better investment can we make than in the natural resources of Ontario? They are there for us to develop wisely and for the future.

Let me speak of the northwestern part of Ontario, with which I am very familiar, and fully aware of the potential wealth of our resources. The mineral wealth of the Steep Rock area has been proved. I use the figures for 1956. Tonnage of iron ore mined is 3,317,073. The total dollar value is \$36,559,719. This represents about 66 per cent. of the iron ore mined in Ontario, of which there was mined some 5,007,920 tons, and this represents only one mineral.

In this same area, there is another development where some \$60 million are being invested before one ton of iron ore will be mined. I have been informed just lately this company is moving ahead in the year 1958 without any hold-back in their plans, and furthermore, that another company moved in last summer and is now developing a gravel deposit containing iron ore, left in this spot by the melting of a glacier.

It will take some 30 years to remove the ore from the gravel. This is a new venture which has taken place and is now being used. A new process is being used in the Mesabi range, where 90 per cent. of iron ore was shipped each year to the different mills in the United States, and they are using the same process there now to take up that slack.

Then, I read in the *Toronto Globe and Mail*, February 20, the following statement:

STEEP ROCK PROCEEDS WITH EXPANSION
PLANS!

President M. S. Fotheringham says the company shares the view held by many in business circles, that economic conditions will improve as the year progresses. In the long range, he predicts, progressively greater iron ore consumption regardless of short time uncertainty.

Should there be any lack of confidence in future investments of this kind? No, as long as it is beneficial to the economy of the province of Ontario.

Now take the timber resources, and I would again refer to a given area. During 1957, between Red Rock and the Manitoba boundary, the pulp and paper industry produced some 942,000 tons. Of this, 54 per cent. of the newsprint is made here, and if we take in Kapuskasing and Iroquois near the falls, 82 per cent. of the newsprint for all of Ontario.

May I commend the hon. Minister of Lands and Forests (Mr. Mapledoram) upon the timber management policy of his department. At this point I would recommend that more emphasis be placed on the practical rather than on theory, as economics of successful operations have to be considered. By the above policy of timber management, study will help the pulp and paper industry now established to continue to provide employment and stability to our economy in the years to come.

Now, there is one other subject that is so important to full development and expansion of our resources, and that is, highways. It is the most important part of our economy today. We must have the modes of transportation; it is said that we are a nation on wheels. Again, may I commend the hon. Minister of Highways (Mr. Allan) upon the tremendous programme of building roads and highways throughout the width and breadth of Ontario.

It is only by continuing with this sort of programme that further development and expansion of the other resources can continue, in order that there will be full freedom of the people to use their individual initiative which will get us away from tight-money thinking.

I do not think any hon. member of this House should oppose the building of highways. There is a difference of opinion as

to the useful purpose of roads. In one of the states to the south, they built roads into every lake, which they feel now was a mistake because it created too heavy fishing on smaller lakes causing depletion. If that is so, then we must be careful that it does not happen here.

The building of excess roads into mining communities, or a road that will serve more than one purpose, is good policy. There again it allows for greater expansion of our natural resources. This should be given careful study in all cases, and by that I mean, every individual road should be built upon the basis of how it is going to serve the people of not just that area, but of all the province.

I recognize the great need of highway No. 401, the Burlington Skyway, the completion of Trans-Canada and highway No. 102 from Atikokan to Fort Frances, which includes a causeway across Rainy Lake.

This latter will be the second highway joining eastern Canada with western Canada. This will become very important on account of the terminus of the great St. Lawrence seaway at the Lakehead cities. I would like hon. members to bear with me once more as I emphasize what this will mean to all of Ontario, giving access to our second largest provincial park, some 1,700 square miles of wilderness, which we hope will be of great value to the people of this province in the years to come. It will also give access to the largest iron ore development in Ontario and Canada, opening a potential area just being scratched in mineral, forest and vacation land.

Then, let us enter the finest agricultural area in the most westerly part of Ontario, where for the year 1957, the estimated agricultural income was \$1,886,000—that is, for an 11-month period.

When in company with the hon. Prime Minister, hon. members heard him remark: "This looks a little bit like old Ontario." What a compliment! Other hon. members formed the same opinion.

I might point out to the hon. members of this House that there is a distance of some 1,200 miles from the seat of our government, and I feel that, being so far away, the agricultural area there is serving a very useful purpose in the economy of the people and the province.

Today, plans are being finalized for a bridge to be built at Rainy River, which is the most westerly part of this province, just south of Lake of the Woods. Our American friends are building the bridge and the Ontario government is building the approach. This,

then, will complete the connection between east and west.

There is one other important aspect which will fit into the pattern of highway No. 120 and the economy of all northwestern Ontario in a big way. About two years ago, the hon. Minister of Travel and Publicity (Mr. Cathcart) and the hon. Minister of Planning and Development (Mr. Nickle), officiated at the unveiling and dedication of a stone cairn at the junction of highways Nos. 70 and 17, Trans-Canada, east of Kenora about 13 miles. This is to be the northern terminus of the great river road which is a 4-lane highway on both sides of the river (that is the Mississippi river on the American side) it is now 65 per cent. completed.

Beginning at New Orleans, following the Mississippi River it joins the Canadian boundary at Fort Frances and proceeds on to the terminus in northern Ontario. This great river road passes through 10 states.

The estimate given of the immediate population is 25 million and, within a 50-mile radius, another 25 million.

A glance at the United States map will reveal that this great highway will be of permanent military importance, taking care of the centre of the continent, North America.

In a short time there will be a need for another international bridge of the same importance as the one at Sault Ste. Marie. Let me point out the following interesting fact. Last year, some 1,282,338 individuals and 113,258 automobiles crossed the border at Fort Frances, which has become the fifth largest port of entry in Ontario as to motor vehicle crossing. I do not have the exact figures for the pedestrian crossing.

That area is the centre, or I would say is like the hub of a wheel, stretching to the southwest, southeast and to the south, north, the east and the west and it all dovetails up into northwestern Ontario.

Now, with the completion of the great river road, hon. members can readily understand what this is going to do to the economy of not only northwestern Ontario, but all of Ontario. The traffic will funnel in at Rainy River from the west, Fort Frances and Pidgeon River from the south as well as at Sault Ste. Marie and the other points of entry in old Ontario.

As I have mentioned previously, there is no reason for the people of Ontario to lose faith, but we should go forward with con-

fidence knowing we have a great store of natural resources. Our bank savings are increasing, and we have the fibre of the family to develop and expand the economy. Let us take the telescope from the blind eye, and sharpen our sights, and as the hon. Prime Minister of Ontario and the leader of the government has aptly put it, it will bring us into the circle of things in Ontario—I mean northwestern Ontario or all of northern Ontario.

In closing, let me quote from the *Northern Sportsman*:

Yes, everything, northwestern Ontario has everything for the fisherman, the hunter, the tourist on leisurely travel, family holiday, it abounds in sandy beaches amid modern comfort. It is an immense domain of green forest, sparkling rivers, countless lakes, and granite hills. Spectacular scenery unfolds along its modern highways, under aeroplane wings, or on the white wake of your outboard. Here is the elbow room you crave. Here is a whole sky full of pure, crisp air for your city starved lungs. This year promise yourself a memorable vacation in this mid-continental adventure land for all.

And, in closing I would like to use the word that The Department of Travel and Publicity used last year in all their literature, and I think they could very well carry it forward because it applies to all of us in this House here today and throughout this province: "Know Ontario better."

Mr. T. D. Thomas (Oshawa): I move the adjournment of the debate.

Motion agreed to.

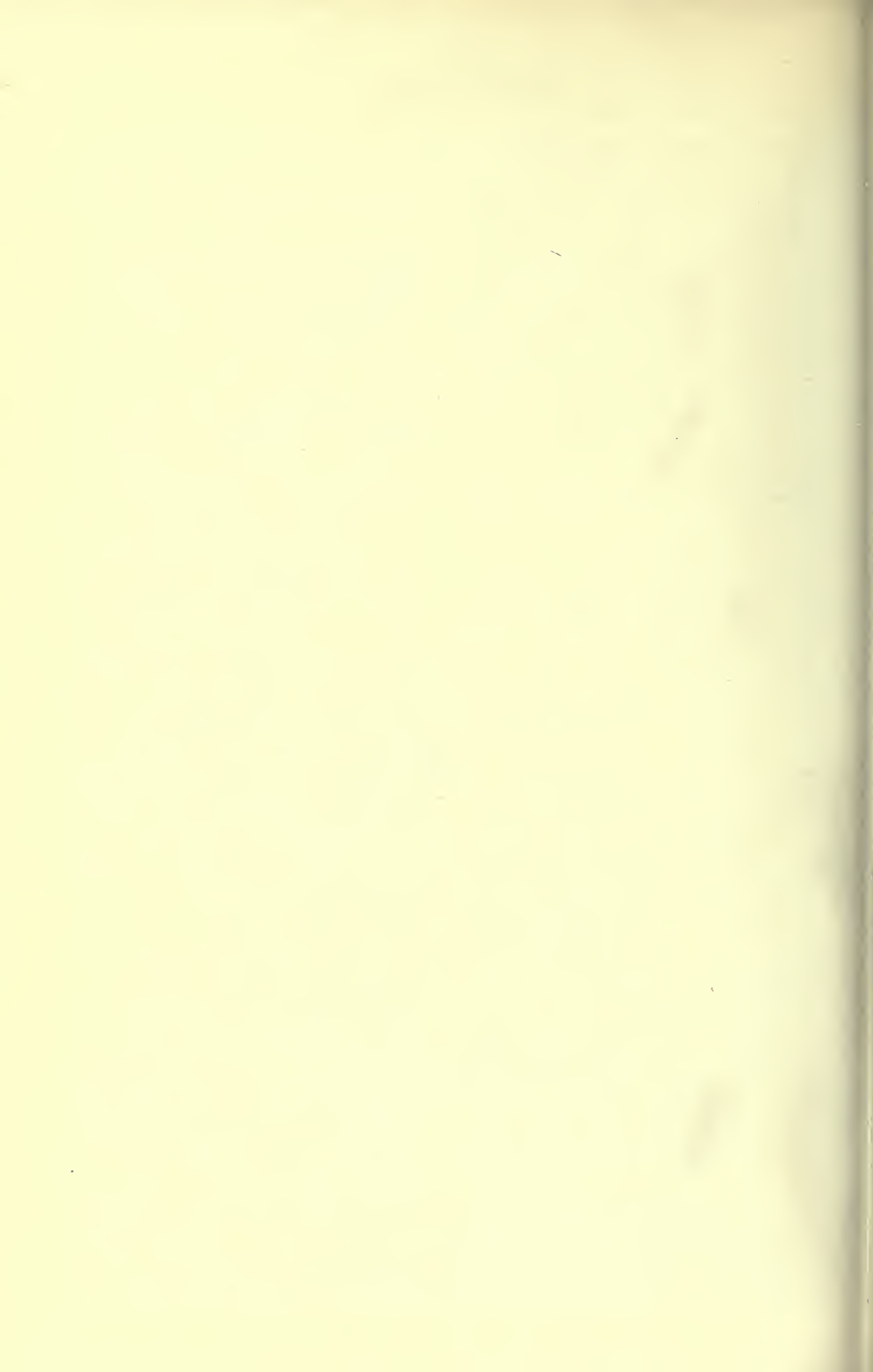
Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before I move the adjournment of the House, may I say we will proceed on Monday with Throne debate, and probably call some of the bills on the order paper, but on the same understanding as previously, namely, if there are any bills which the hon. members of the Opposition desire not called, I am sure the government will comply with their request.

Hon. Mr. Roberts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 3.50 of the clock, p.m.







Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Monday, February 24, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, FEBRUARY 24, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Clerk of the House: Mr. R. M. Myers, from the standing committee on legal bills, presents the committee's first report and moves its adoption:

Your committee begs to report the following bills without amendment:

Bill No. 52, An Act to amend The Conditional Sales Act.

Bill No. 55, An Act to amend The Deserted Wives' and Children's Maintenance Act.

Bill No. 56, An Act to amend The Interpretation Act.

Bill No. 57, An Act to amend The Judicature Act.

Bill No. 58, An Act to amend The Magistrates Act, 1952.

Bill No. 60, An Act to amend The Surrogate Courts Act.

The committee also begs to report the following bill with amendment:

Bill No. 66, An Act to provide for the certification of titles of lands.

Motion agreed to.

Mr. Speaker: Orders of the day.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, there are some questions which I would like to address to appropriate hon. Ministers, the first one to the hon. Prime Minister (Mr. Frost).

During the past several weeks, the Ontario Northland Railway has been laying off employees, and in view of the statement of the hon. member for Temiskaming (Mr. Herbert), reporting to the House in his capacity of vice-chairman of the Ontario Northland Railway, that he personally opposed laying off firemen on diesels; and in view of the announcement of the Canadian National Railways on January 24 that there

would be no further layoffs from that railway system during this period of high unemployment, would the hon. Prime Minister give us similar assurance that the government will halt the swelling of unemployment ranks through layoffs by the Ontario Northland Railway? I would just add this further point on the question to the hon. Prime Minister—that I have learned, since I originally gave notice of this question, that employees of the Ontario Northland Railway are treated as civil servants and do not have unemployment insurance, so that when they are laid off they are really off without any of the normal cushion that unemployment insurance provides.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, the hon. member's question, of course, would rather lead to the inference that there was a mass layoff. I inquired into this and found that there were 8 men laid off by the railway, 7 of them were in Ontario and one in Quebec. Now this was not a mass lay-off, I tell my hon. friend, it is only a matter of increasing the efficiency of the roads.

In North Bay, on January 27, there were 2 junior truckers laid off; in New Liskeard the cashier's position was not necessary; in Timmins, on February 10, there were two layoffs due to the fact that a clerk's position and a shedman's position were not necessary. These were the other layoffs: Noranda, February 12, one shedman; Moosonee, one assistant; Kirkland Lake, one shedman. Now that makes 7 men in the adjustment of their business.

What happens to these men? I notice that the hon. member says that there was a man of 40 years' seniority. Well, a man of 40 years' seniority takes another position. As is well known, the "bumping" system applies on all railways—it is the junior man who is let out. They advised me that there were 7 men in Ontario, and one man in Quebec, and those men would be given preference on re-employment down to the junior level.

Now, I am advised that the Ontario Northland Railway do not anticipate that there will be any further changes in staff, unless it is for the usual ordinary adjustment of business. But there will not be anything more than the normal adjustments, and my advice is that

their employment list is pretty well at rock bottom right now.

Mr. MacDonald: Mr. Speaker, whether it be one or 1,000 laid off, each person faces the consequences of unemployment. Do I conclude from the hon. Prime Minister's reply that he will not give assurance to "hold" layoffs during this period of high unemployment?

Hon. Mr. Frost: Mr. Speaker, surely my hon. friend would not expect me to suggest that any business would be run not as a business. Of course, it is run as a business.

Mr. MacDonald: The next question is to the hon. Minister of Mines (Mr. Spooner) who is not in his seat at the moment, but conceivably the hon. Prime Minister, as an ex-Minister of Mines, might reply to it.

Arising out of injuries which have occurred to men working alone in the mines, I understand that the hon. Minister received a telegram from Timmins seeking clarification of regulations in this connection. Would the hon. Prime Minister inform the House whether existing regulations permit mine management to assign a man to work alone, or whether pending investigation on this point the government forbids such a practice?

Hon. Mr. Frost: Mr. Speaker, I did not receive any notice of the question, otherwise I would have had the matter looked up, and as the hon. Minister of Mines is not in his seat, I will have the answer for him tomorrow.

Mr. F. R. Oliver (Leader of the Opposition): Respecting the order of the budget debate, could the hon. Prime Minister indicate to the House when he expects to have the budget debate resumed after presentation of the budget?

Hon. Mr. Frost: I would say in response to the hon. leader of the Opposition that I would anticipate either Monday or Tuesday. I would meet the convenience of the hon. member for Waterloo North (Mr. Wintermeyer) in that matter, but I would say Monday or Tuesday, which I think would give ample time to consider the matter. I would not expect him to proceed on Thursday or Friday, but I would say that I expect we shall go ahead with the Throne debate over that period. I do not anticipate a vote on the Throne motion before Wednesday. I think that would answer my hon. friend's question.

Mr. MacDonald: The hon. Minister of Mines is now in his seat. I wonder if the—

Hon. J. W. Spooner (Minister of Mines): Mr. Speaker, just a few moments ago I received a copy of the question asked by the hon. member for York South, and I would like to say this, that I did receive a telegram this morning from a party in Timmins, and that our department has been aware of an accident which occurred in a mine in the Timmins area. But the telegram which I received this morning does not set the date of the accident in question, so we have had to send a telegram to the party who sent us the wire, asking him to identify the particular case that he is inquiring about, in order that we may make certain that we are speaking of the same thing.

In answer to the question of the hon. member, I would say that there have been cases—rare cases, fortunately—where men have been injured when working alone underground in the mines, and no doubt a second miner on the scene would have helped, had there been a second person present. But there have been many more cases in which, had two persons been present, then both men would have been injured. It is not general practice for men to work alone underground, a supervisor does work alone in many instances, and of course much similarity exists between men working underground or above surface in other occupations throughout the world, in that they are exposed to danger.

I might say that this matter of workmen underground, and in some cases working alone, has come up for considerable discussion, and about a year ago was the subject-matter of representations by unions operating in the mining district. At that time, the matter was studied very closely by the then Minister of Mines (Mr. Kelly) and officials of his department.

I would like to quote Mr. Speaker, from two letters which were sent under the former Minister's signature dealing with that subject. Now a letter to one union says:

In underground mining operations a number of people more or less work or travel alone, such as supervision, samplers, pump tenders, hoistmen, etc.

There are cases where two men are injured, where only one would have been injured if working alone. Some argue that men spread out show a better safety record. In other industries, and in many walks of daily life, the same point may be brought up with equal emphasis. Inquiry and examination of legislation and safety

rules of industry in other provinces, and states to the south of us, show no rules where two men must work together underground in a mine.

The second letter, which carries about the same dateline, to another union, states this:

In underground mining operations, a number of people more or less work or travel alone, such as supervision, samplers, pump tenders, hoistmen, etc. There are instances, comparatively rare, where it may be inferred that there should have been a second party present. Some argue that men spread out show a better safety record. In other industries, and in every-day life, the same point may be brought up. We have not been able to find any comparative rule in safety measures or legislation in other states or countries. It is the responsibility of supervision to check working places.

I might say, Mr. Speaker, referring back to the accident of which I am aware, that when I receive the additional information from the party who sent me the information this morning, I will be able to establish whether he is referring to the same accident as I am.

It was after that unfortunate accident—I am happy to say, that although the workman has been seriously injured, it was not a fatality—I asked the officials in my department, who are primarily concerned with safety regulations in mines, to re-investigate this matter and bring it to my attention with a full report because, although I have never worked underground in a mine myself, I realize that the working conditions are hazardous and that every precaution should be taken by government, if at all possible, to make certain that working conditions will be such that these unfortunate accidents will not happen.

If the hon. member would care for more details of this particular incident, I believe that in due course of time we will be able to furnish that information.

Mr. J. Root (Wellington-Dufferin): Before the orders of the day, I want to draw the attention of the House to an article that appeared in Saturday's issue of the *Kitchener-Waterloo Daily Record*:

CONESTOGO DAM WILL BE FILLED THIS SPRING — ROADS IN AREA TO BE FLOODED DESPITE DISPUTE.

The Conestogo dam is now in operation officially. The Grand River conservation

commission, at its annual meeting in Brantford city hall yesterday, ordered the dam put to use as soon as sufficient water comes down the river. Roads which Wellington county and Maryborough township councils have not agreed to close, by by-law, will be closed by nature when they are buried under water. The commission decided to get tough with Wellington county and Maryborough township. As Paris, Ontario, Mayor Geo. E. Scott put it: "Let them sue us."

Mr. Speaker, what I wanted to say is that, if this article is correct, you have here a case of a commission riding roughshod over councils which have been elected by the people, and I want to say that this action is typical of many actions through the years by the Grand River conservation commission.

I could tell hon. members of other cases where they have ignored the rights of municipalities and individuals, and at times have even embarrassed Ministers.

I will read a letter that was handed to me, over the week end, that will indicate how some people are affected by the actions of the commission. This concerns the James Wilson and Sons mill at Fergus:

DEAR MR. ROOT:

We are taking this opportunity of writing to you regarding a matter which is very serious as far as our company is concerned. Our company operates a cereal mill in Fergus, and derives most of its power from the Grand River. During the last 3 weeks, our water power has been the poorest since we took over the mill in 1933.

At the present time, we are employing 25 men, the highest number in over 10 years, and we are now faced with a partial shutdown and the loss of export orders in the United States that our company has worked so hard to obtain.

Our lack of power at the present time has been caused by the unjustified action of the Grand River conservation commission. During part of the week of December 21, 1957, the commission let out 5,000 to 7,000 cubic feet of water per second from the Shan dam, flooding our basement, submerging our leather belts, and shutting our plant down. An unusual heavy flow continued until the lake was practically empty, and today our flow is not more than 25 cubic feet per second.

We understand there is still a supply of water in the Luther marsh. If this were to leak, it would help our situation considerably and we would appreciate any help that you can give us at this time.

Yours very truly,
(signed) JOHN D. WALKIE

That is typical of what can happen when a commission operates without regard for the rights of municipalities and people. Now, a few days ago, the hon. Prime Minister (Mr. Frost) suggested that the committee on commissions take a look at what is happening in commissions, and I would suggest that someone have a look at the Grand River conservation commission and perhaps remind

them that there are other people in Ontario, besides themselves, who have rights. I have been one of the first to admit that they have carried out a great flood control programme which has been of great benefit to many people, but they have never seemed to grasp the importance of public relations.

Some people feel that the make-up of the commission is wrong. The only people with a voice on this commission are the municipalities that receive benefit from these flood control projects. There is no voice on the commission for the municipalities that are inconvenienced.

I happen to represent the area where they have built 3 dams, and I want to say on behalf of the people I represent that we resent the attitude of the commission toward our elected councils and their officials, and it is my intention to take this matter up and discuss it with the hon. Minister.

Hon. Mr. Spooner: Mr. Speaker, before the orders of the day I would ask leave to introduce to hon. members of this House a group composed of members of the staff of The Department of Mines who are present today in the Speaker's gallery. It is the practice of the department to have the members of the mining land staff come to Toronto once each year for a meeting, at which they can discuss their common problems and seek means of improving the important service they render to the mining public.

The mining recorders and the mining claims inspectors have an onerous and very important duty to perform. They perform it with complete efficiency, and to the almost unanimous satisfaction of the people with whom they have to deal. Perhaps from observing the deliberations of this House, these visitors today will gain some insight into the way in which the broad general policy of the operation is laid down, and into their own place in the general scheme of things.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

Seventh annual report of the alcoholic research foundation for the year ended December 31, 1957.

Mr. Speaker: Orders of the day.

THE STATUTE LABOUR ACT

Hon. J. N. Allan moves second reading of Bill No. 78, "An Act to amend The Statute Labour Act."

He said: Mr. Speaker, I think it is generally recognized that statute labour, or the

performance of statute labour, is difficult to administer. The collection of commutation of statute labour is likewise difficult.

This amendment is intended to insure the collection of a greater amount of the money that would be paid in commutation of statute labour and provide for such collection, and a penalty of \$5 if it is not paid within the stated time.

Motion agreed to; second reading of the bill.

THE HIGHWAY IMPROVEMENT ACT, 1957

Hon. Mr. Allan moves second reading of Bill No. 79, "An Act to amend the Highway Improvement Act, 1957."

He said: Mr. Speaker, as you will remember, The Highway Improvement Act was practically rewritten last year, so the number of amendments to the Act this year are not very great.

This first section has to do with connecting links of King's highways within cities. Now the practice which has been followed has been that construction agreements could be entered into between the city and The Department of Highways for the construction of a connecting link. The practice which resulted from that was that, when a street was to be reconstructed within the city, which it was felt might become a connecting link, the matter was brought to the attention of the district engineer, and if he was agreeable and the hon. Minister approved such a connecting link, an agreement was entered into whereby The Department of Highways paid 50 per cent. of the cost and the city paid 50 per cent. of the cost.

This meant that each time one of these streets was to be constructed, there was a matter of consideration as to whether or not it was a connecting link.

This experience indicated to us that it would be a better plan to indicate the entire connecting link system of the King's highways within the cities at one time.

This legislation permits such a plan. The connecting links of all the highways that affect that city would be set out in that plan, and there would not then be need for discussions as to whether or not a road was a connecting link when the city intended to reconstruct the same.

Mr. F. R. Oliver (Leader of the Opposition): What is the reason for changing the power of designation from the hon. Minister to his Honour the Lieutenant-Governor?

Hon. Mr. Allan: The reason is that the other was an agreement that was entered into for the time of the construction of the street. By leaving the approval to his Honour the Lieutenant-Governor, it places the street in exactly the same position as all other connecting links or King's highways throughout the province. They are designated by order-in-council, and these connecting links would be designated in the same way and would remain connecting links whether or not they were being constructed.

In the section that applies to towns and villages, the amendment raises the contribution by The Department of Highways from 50 per cent. to 75 per cent.

The reason for the increase is that there has been no increase on the amount paid on the construction and maintenance of connecting links in towns and villages. This applies to municipalities with a population of more than 2,500. There has been no change down through the years, even after the time that subsidies were paid to towns and villages.

Some of the hon. members will remember that, for quite some time, subsidies were paid only to rural municipalities, then towns and villages and cities were included and were eligible for subsidy, at which time the subsidy paid to towns and villages upon street expenditure was 50 per cent. The towns and villages have felt that this was a bit of an injustice, in view of the fact that there was a considerable amount of through traffic on these King's highway connecting links, and having that in mind and, recognizing the reasonableness of such argument, we have increased those payments to 75 per cent., which is midway between the entire assumption and the payment of 100 per cent., as in the smaller villages, and the 50 per cent. subsidy that is payable generally to towns and villages. This amendment recognizes that the 25 per cent. additional is to compensate the town and village for the through traffic, which uses that street, in addition to the local traffic.

Mr. T. D. Thomas (Oshawa): The hon. Minister said there is a bit of an injustice felt by the towns in that they were getting only 50 per cent. I wonder what he thinks about the city getting only 33⅓ per cent.?

Hon. Mr. Allan: I may say to the hon. member for Oshawa that we do recognize the same principle in cities. I might go back and refresh the memories of all hon. members, perhaps, regarding subsidy payments to cities, towns and villages. I would remind the hon. member that the great difference arises as a result of the city not being required to

contribute to the county road system of their county—that is, in lieu of such contribution, the city contributes towards the suburban road commission only up to a limit of one-half mill.

I may say, by way of comparison, that with the town of Dunnville—where I know something of the taxes—there is a 10-mill rate for county roads, so it would not be just that cities would receive the same subsidy as would towns and villages because of the greater amount paid by towns and villages toward the county road system. Such municipalities pay the regular county road rate, although they do get some rebate which is referred to later in these amendments, in comparison to the half-mill that the cities contribute towards the suburban road commissions. In cities, the fact that a street is a throughway or through highway and carries traffic through the city is recognized, and while the subsidy is 33⅓ per cent. on the regular streets of the city, it is 50 per cent. on the construction of connecting links.

Mr. R. Whicher (Bruce): I am sure the hon. Minister gave us the answer to this question, but I missed it. What happens in towns or villages where the population is less than 2,500?

Hon. Mr. Allan: Mr. Speaker, I may say, in reply to the question of the hon. member for Bruce, that the road is either assumed, in which instance 100 per cent. of the cost is paid by the province, or there is a connecting link agreement made with that village or town. There are very few towns between 2,000 and 2,500, and the connecting link agreement is a 100 per cent. connecting link agreement.

The reason for the 100 per cent. connecting link agreement is that, in some villages, the council very often prefers to have the control locally of their main street, or the street which is such connecting link. The municipality under this plan is responsible for licences, gas pumps, and all that sort of thing on the street. However, when the street is assumed by the province, the control of certain services along the street comes under The Department of Highways.

The next amendment is purely one of clarification, that is, subsection 1 of section 30, in which it is stated plainly that a permit for such construction as culverts or entrances along a King's highway is required.

Section 45 is amended to state clearly that it provides for supplementary by-laws. Regarding municipal construction, I think all hon. members recognize that supplementary construction by-laws are the means presently

used to assist municipalities with the construction work which is of a permanent and lasting nature. Because a council is elected at the beginning of each year, and because it is necessary for our municipal branch to have their by-law very early in the year, it does not give a county or any municipality a great deal of time to plan their work.

We have been generally approving these supplementary by-laws for construction. There are 3 amendments, one dealing with the counties; one with the cities, towns and villages; and one with townships. This practice is generally in effect, and the amendments are provided to establish or legalize what we are already doing.

Mr. Whicher: Would the hon. Minister set me straight on a point: "A county may at any time with the consent of the Minister"—does that mean they have to get the consent of the hon. Minister before they may apply for approval of a by-law or a supplementary by-law?

Hon. Mr. Allan: Mr. Speaker, in reply to that question, I might say that that applies to all by-laws. Naturally, we are voted a certain amount of money to provide for subsidies to the municipalities. Approval is necessary to control such expenditure and keep same within our budget.

Mr. Oliver: Mr. Speaker, I share the anxiety of the hon. member for Bruce. It seems to me quite unfair to suggest to a county, and it goes on down to the township in the various clauses in this bill, that before they can submit the by-law to the hon. Minister they must have his approval.

Now, after the by-law is submitted, the hon. Minister then certainly has the right to say whether or not the amount asked for, as a supplementary item, would be approved. Why should he say to a county that it must have his consent before it can make the application? That is exactly what this legislation suggests. I think is it rather odd if we say to the county: "Before you can put forward a supplementary amount in the form of a by-law, you have to get the approval of the hon. Minister, and then you have to get his approval for the amount contained in the by-law." Surely the county should be able to send its proposed by-law to the hon. Minister, and then get his decision as to whether they will get it or not.

Hon. Mr. Allan: Well, I may say to the hon. leader of the Opposition that I will be glad to check this before it comes to com-

mittee. The practice is entirely as he suggests, the by-laws are submitted and then they are approved, and I will be very happy to look into that. It may be improper wording.

Mr. Oliver: I wish the hon. Minister would, because it seems to me quite unusual to say to a county or a township: "You have to ask the hon. Minister before you submit a by-law." In this instance, Mr. Speaker, the hon. Minister who is piloting this legislation through the House is asking the counties to get leave from him as to whether or not they can ask for a supplementary amount. I would think that the proper course would be for the counties or the townships to send in their request for a supplementary amount, and on that request the hon. Minister make his decision.

Hon. Mr. Allan: Well, in practice, Mr. Speaker, that is exactly what happens, and I will be very glad to check and discuss it when it comes to committee.

Mr. Thomas: Mr. Speaker, in regard to that question, I think this has been a practice for some time of municipalities coming in the fall to the hon. Minister to get approval for supplementary estimates, and the hon. Minister did mention that it was only for construction.

Now surely, if one of the municipalities or one of the counties had a little bad luck in their work during the year and, say in the fall, found they did not have sufficient money to carry on the work they had agreed on, the hon. Minister would agree to approving that amount of work to be done without it being construction work. Does it apply to construction work only?

Hon. Mr. Allan: We have endeavoured to limit as much as possible, by direction and by by-law, the expenditures for maintenance work. It was found some years ago that maintenance expenditures almost got out of control. There is a great deal of pressure sometimes for improvements of a temporary nature, and after a great deal of consideration it was certainly the very definite conclusion of the department that it is advisable to encourage permanent construction efforts, and that the maintenance be kept to a reasonable amount.

This government has increased the amount of funds available from year to year, and now has the plan working very nicely with the municipalities. The municipalities recognize that when their maintenance by-law is approved in the spring, the decision is definite.

As the hon. member said, in any particular instance where there has been a disaster or something similar, naturally we look into the situation.

I think he will realize that first of all we have the precise amount of our vote, or the amount of money for maintenance. Such money is divided between the municipalities. In the final adjustment, some municipalities do not spend their entire amount, and it is our practice at the year's end to be reasonable in dealing with the municipalities, but at the same time to encourage them to improve their streets and roads in such a way that the work will be permanent, and in that way cut down the amount of maintenance that is required each year.

Mr. Whicher: Mr. Speaker, in some of the instances, I agree wholeheartedly with what the hon. Minister said, that it is advisable to keep maintenance work to a reasonable figure. But now, during the past week or so, there has been considerable snow removal, and this has been just as necessary as construction. The snow had to be removed in order to get through.

Now, in these towns and villages the hon. Minister would still pay just 50 per cent. of this snow removal, as far as maintenance goes. Is there any place in the province where the full 100 per cent. is paid on anything like snow removal?

Hon. Mr. Allan: Mr. Speaker, there is not, except on those King's highways where the responsibility of removing snow is that of The Department of Highways. But on municipal streets, the same rate of subsidy applies to all municipalities of the same class.

Mr. Whicher: For example, going through Toronto on the King's highways—

Mr. Speaker: Order. This is the ordinary procedure for committee, and I would suggest we limit the debate until that stage.

Hon. Mr. Allan: Mr. Speaker, I am very happy to explain this in any way that I possibly can. There are no King's highways within the city of Toronto. Now there may be connecting links, a result of legislation proposed in the first amendment which I mentioned. But, at present, within the city, it is a city street, and one reason we have never made the connecting link agreements to include maintenance on city streets is the great difficulty which would arise in sorting out and deciding the extent of expenditure upon such streets.

Subsection 3 of section 56 has to do with rebates paid by county councils back to towns and villages.

The towns of the province have always felt that, in comparison to cities, they paid what some of them felt an unjust contribution to the county road system. With the hope of making this more equal, it was required some few years ago that a minimum of 25 per cent. of such contribution—an amount equal to that amount—must be paid back to the town or village. It was subsidized by our department, before it was paid back, so it was very helpful to the counties in their county road programme.

This amount of rebate has been creeping up until it has now reached, in some instances, 50 per cent. We feel that such rebate is as great as it should become. It is possible that in some instances the decision as to whether or not a town that is of sufficient population to become a city might stay in a county would depend upon the rate of rebate.

In view of the fact that, when this rebate is received by the town and spent upon their streets, it is subsidized again, we feel The Department of Highways has been very generous in the treatment of towns and villages in this connection. It is felt that 50 per cent. should be the greatest amount of subsidized rebates that should be paid back, and this amendment is intended to limit payment to 50 per cent.

The amendment to section 63 will prevent a member of a suburban road commission from doing business with the commission of which he is a member. It has the same effect as the section of The Municipal Act which prevents members of councils from doing business with the council, and although a member of the commission could be dismissed by the county council or the city—whichever had appointed such a member—for an offence, it was felt that it was better to have it clearly understood that it was not intended that a member of a commission should be doing business with the commission.

Section 71A has to do with subdivisions. It is clearly set out in The Highway Improvement Act that no subsidy will be paid to a town or village for the development of a subdivision.

Evidently it was not recognized at that time that a great many subdivisions were being developed in townships. This amendment adds the word "township" to that of town and village, placing the township in

exactly the same position as the town and village. This means that the subdivider must meet the cost of developing the roads in the subdivision.

Motion agreed to; second reading of the bill.

THE VITAL STATISTICS ACT

Hon. G. H. Dunbar moves second reading of Bill No. 70, "An Act to amend The Vital Statistics Act."

He said: Mr. Speaker, regarding this Bill No. 70, it was requested by some hon. members that this bill go to the legal bills committee because one part of it affects the change of name—that is to say, some of the provinces permit former residents moving to other countries, and wishing their names legally changed, to make a change on the original registration. Ontario previously has not done so, and in this amendment I am asking for permission to have this done in future. But I have been asked to allow this to go to the legal bills committee so that the lawyers may have a little tussle over it.

Motion agreed to; second reading of the bill.

THE CORPORATIONS ACT, 1953

Hon. Mr. Dunbar moves second reading of Bill No. 71, "An Act to amend The Corporations Act, 1953."

He said: This is just a matter, as I explained in the first reading, of changing one word in the Act. Where it said, prior to that, that the notice had to be delivered to the Provincial Secretary's Department, the word "mailed" is to be inserted.

Motion agreed to; second reading of the bill.

THE CORPORATIONS INFORMATION ACT, 1953

Hon. Mr. Dunbar moves second reading of Bill No. 72, "An Act to amend The Corporations Information Act, 1953."

He said: Mr. Speaker, this is the same thing, just changing the one word "delivered" to "mailed."

Motion agreed to; second reading of the bill.

SPEECH FROM THE THRONE

Hon. M. Phillips (Minister of Health): Mr. Speaker, first of all I would like to congratulate you and also every hon. member of this House for the calibre of the addresses which have been given in the Throne speech.

I think that calibre is much higher than I have heard at any time in this House, over the last 12 or 14 years during which I have had the privilege of sitting.

Today, Mr. Speaker, I intend to speak on mental health in Ontario. The Department of Health is a very large organization, and our responsibilities and duties take us into many fields of public health.

Perhaps our main concern however, is with the mentally ill. From time to time we receive both destructive and constructive criticism. Some of it appears in the newspapers and periodicals with wide circulation, reaching a vast audience. A great deal of this criticism, in my opinion, is rather unfair, but it is also disturbing to the families with relatives in one of our Ontario hospitals.

For that reason, I should like to tell hon. members briefly about some of our problems, and about the real attempt that is being made to relieve them.

Before doing so, however, I should like to ask the hon. members of this House to have clearly in their minds that there are two very different types of patients being looked after in our provincial institutions. One group is the mentally ill, and the other group is the mentally retarded, or mentally defective. May I say that there is absolutely no relationship between these two, and their care and treatment are entirely different. For both, we provide hospitals and local community services.

In 1846, the first mental hospital was built in Canada, at that time it was called the Queen Street Asylum which we all know as "999 Queen West." It was intended that this institution should meet the requirements of Upper Canada and the western territories. A great deal of vision was shown in planning and building this institution, but the vision did not extend very far into the future. In making plans and decisions for the care of the mentally ill, it is not only necessary that we assess our immediate requirements, but we must look far beyond into the future.

Certainly the last century has shown marvellous development in the care of the mentally ill. We have progressed from the eighteenth century, when patients were detained by means of chains and fetters, through the nineteenth century, when more and more humane treatment was adopted, to the complicated system of the present day. During the nineteenth century Ontario was expanding and the demand for mental hospitals grew. There were many notable psychiatrists in that period, and the classification of mental illnesses was undertaken.

There is no evidence that the incidence of mental illness is any lower, nor may I say any higher, on our 100,000 population basis, than formerly. We still have to assume that we have between 3.5 and 4 persons per 1,000 population in the mentally ill class, who will one day enter our Ontario hospitals, and also about 1.5 persons per 1,000 who will have to enter one of our Ontario hospital schools.

The rapid growth of this province in itself provides a patient accommodation problem that is almost impossible to keep up with. We have to have the beds and we have to have staff to give the needed care and treatment. I do not think anyone, not closely connected with the field, has any conception of how difficult it is to do just those two things.

We have had magnificent co-operation from The Department of Public Works, and I do want to at this time offer my congratulations to the hon. Minister of Public Works (Mr. Griesinger) who has aided us in every way possible, in order that we could go ahead steadily with our building programme. We must keep in mind that for several years there was no construction at all, and, also, that our older hospitals were continually in need of renovation and repair.

Between 1950 and 1957, we added 4,840 beds to our accommodation; we had to take 695 out of service, mainly through the loss of the Langstaff and Concord institutions. We have, under construction, accommodation for 1,512 more patients; immediate plans call for almost 2,600 additional beds; and plans not too far in the future call for another 1,640 beds. Along with this, older buildings have been renovated, fireproofed and enlarged.

The new hospital at Port Arthur was opened in 1954, and the one in North Bay was opened last year, 1957. A medical-surgical reception and diagnostic clinic building, with 100 beds for patients, went into operation at 999 Queen Street West, Toronto, in 1956.

I would like at this time to invite every hon. member of this House to visit 999 Queen West and see our new reception building there which holds 50 beds for female patients and 50 for male patients, as well as administration quarters, gymnasium, occupational therapy, and so on. I think it is a revelation and there are altogether too few people in this province, and in fact in Toronto, who have gone to the trouble of visiting our hospital on Queen Street. We have torn down the old stone wall which was put up in 1846, along Queen Street; we have landscaped the grounds; and I will wager that we have as

many facilities within this building as can be found in any modern hospital that has been built in Ontario in the last 10 years. We are very proud of it.

The purpose of this building is to provide for short-stay patients, and if they are found by our staff to be mentally ill, then we call in consultants. If these consultants feel that the patients are mentally ill, they are committed either to the other building behind or sent to one of our Ontario mental hospitals.

This is the first and finest building of its kind in the British Empire, and I think I can say the whole world, but I do invite hon. members out there. We are very proud of this, as well as of the old Queen Street hospital which was built in 1846 and has been completely rehabilitated and modernized as far as is humanly possible.

We have also made additions at Brockville, Woodstock, Penetanguishene and Kingston hospitals. Actually I doubt if there is one hospital that is entirely free of some kind of activity such as renovating, fireproofing, or actual construction.

Getting the much needed staff is another matter. There has been a great change in the approach to mental illness in the last 50 years, and the objective today is to cure patients, not just to provide custodial care, and also to treat them with kindness. From treatments by kindness only, we have steadily advanced to the late 30's when metrazol and insulin shock therapy were introduced. This was followed by the addition of electroshock therapy about 1940, and present day treatment includes the new tranquillizers which were introduced in Ontario about 1951. The highest possible success in our efforts can be realized only when we have the required well trained professional staff.

I would like to say to the hon. members of this House that I do not think that any criticism can be given about any of the Ontario hospitals, except the same criticism which is common throughout this great nation of ours, and of every province and every state in the great country that lies to the south. The criticism is that of overcrowding, because we are all short of professional personnel.

The highest possible success in our efforts can be realized only when we have the required well trained professional staff. Whether or not we think certain forms of special training are frills and fads, we must accept the fact that the much maligned psychiatrist is the medical man who is best qualified to guide the care and treatment of these patients.

After leaving secondary school or, I might say, after a student receives his senior matriculation, he must then spend 6 years in medical college to obtain his degree, and then receive at least 5 years' training before he can become a certified psychiatrist. That is 11 years out of a man's life. There are not too many psychiatrists and they are in great demand.

In the government service, we have to compete with the lure of private practice and with attractive offers from other provinces. We now spend more than \$30 million in our mental hospital services, and we who pay the taxes are concerned about this. Like governments usually are, we are notoriously short of funds, but we try to work where our dollars are most needed. But I do want to say to this House that this government and the hon. Prime Minister (Mr. Frost) have never turned down anything that is for the welfare of the patients in our Ontario hospitals.

The time has come when we must seriously consider whether there is enough inducement offered to our professional personnel to keep them in government service. For existing hospitals we now need more than 60 physicians, not to mention supporting staffs or the needs of the community mental health services. The need for professional staff is our constant worry.

Nevertheless, we are utilizing every means at our disposal to lessen this worry. Post-graduate training for doctors is given in the Ontario hospitals. Training courses for nurses are conducted in 3 of them. We have affiliate nurses from the general hospitals in our service constantly, actually from 1,200 to 1,400 student nurses a year, and we have set up a training programme of our own for occupational therapy assistants and for attendants and nurse-aides.

Patients and staff are X-rayed and examined regularly so that we can cut down on loss of time by every possible means.

The medical care of the mentally ill is advancing rapidly. All forms of modern treatment are in operation in our hospitals, and with more and more competent staff members, this treatment could become more readily available to all patients.

With these new forms of therapy we hope to establish new policies such as open wards. I may say already we have between 600 and 700 patients in open wards. These new policies include shorter periods of hospital care, segregation of patients, and rehabilitation programmes.

I have visited hospitals in the United States and elsewhere, where they are trying these experiments in a limited way. I hope we will profit from their experience, and be able to introduce these procedures in a big way.

The main problem is to change the thinking of those who have been associated with this type of work for a long time. They are reluctant to alter methods that they have been using over the past number of years. Once they are convinced that other ways may bring even better results, they are 100 per cent. behind the programme.

As an example, may I quote one of the superintendents of a large hospital in the United States, a state hospital for the mentally ill. When we were talking about open wards, he said this: "We are not having very much trouble with the patients but we are having a lot of trouble with the staff, particularly the professional staff. They cannot accept this new type of policy. They have a fear complex about the patients eloping."

Now, we can use that word "elope" in various ways, but we think that is a good word.

Their experience in that hospital has been this, they have fewer patients elope in the open ward system than they have in the locked door system. Except for the older age groups and those afflicted with certain definite types of illness, no one today can be considered to be permanently mentally ill. We have learned so much about the importance of surroundings, clothing, and diet that we are improving our service as rapidly as possible. The appearance of the hospitals is better, the patients have attractive clothes, and they are fed scientifically.

I might say, in the latter connection, that from time to time we hear criticism of the meals. I have looked into this repeatedly myself, and have called upon a committee of diet specialists to investigate the situation for me, and, frankly, Mr. Speaker, I can find no basis for unfavourable reports.

The preparation of more than 75,000 meals each day to patients in Ontario hospitals is a big task, and to insure that this is being done in the most satisfactory manner, I initiated a survey of the food service.

Inquiries were made and it was learned that a firm known as the International Restaurant, Hotel and Institutional Counselors Limited specialize in consultant services. This organization is entirely advisory, without bias or prejudice. They represent no suppliers or operators. They agreed to survey our entire food service, commencing with the

preparation of the raw material through to the serving of the individual portions. Since December 1, 1957, we have had this organization engaged in a survey of 4 of our large eastern hospitals, and I am pleased to report the results to date have been most encouraging.

It is my intention to continue the programme in an endeavour to see that patients in the mental hospitals operated by the department are served meals with eye appeal, variety, and high nutritional value. And I may say that I will be glad if any hon. member of this House would like to see the diets which we are using.

I remember that one criticism concerned the amount of fruit juice that we were serving.

May I say to the hon. members that, in each of our hospitals, we are giving the patient 4 ounces of citrus fruit juice more than is advised by the National Nutritional Foundation at Ottawa. As a matter of fact I know this, they are getting a lot more than I am at my own home.

The same general pattern is repeated in the community or local service. We now have 15 mental health clinics throughout the province, but more than twice the existing staff and facilities are needed to provide an adequate programme throughout the province.

The clinics now established are of 4 types.

They include out-patient departments in teaching hospitals, for post graduate training for medical staff, which are serving both adults and children. There are two of these, both in Toronto.

There are 7 travelling clinics which operate from Ontario hospitals and make regular visits to the surrounding communities. These clinics are available to both adults and children, and they undertake both diagnosis and treatment.

We have one child guidance clinic in the Toronto area, and 5 consultant psychiatrists acting as directors of mental health clinics, for adults and children, connected with hospitals in large areas. I am proud to say that we had more than 11,000 people attend these clinics last year.

The well-organized out-patient department or community clinic provides a close link with the community as a whole. Treatment there makes the change from out-patient to in-patient easier if that step is necessary and, on the other hand, frequently makes admission to a mental hospital quite unnecessary.

In the same way, these clinics very often provide just the right understanding and

knowledge to keep a former patient from requiring re-admission to an Ontario hospital. This is a most valuable recent step in our mental hospital programme.

In addition, we have provided generous financial assistance towards the building of psychiatric units in our general hospitals. Now, I know there was some criticism about this and in fact I wondered at the time just how much value the psychiatric unit in general hospitals would be. But we can cast our doubts to the winds because this is the result:

Ten hospitals now have 311 beds in service and admit annually about half as many people as are admitted to mental hospitals. The patient has a brief period of intensive treatment in such a unit—the average stay being just under 3 weeks. Experience with these units has been long enough now to show that only one patient out of 13 has to be transferred to a mental hospital.

Mental illness is detected earlier and in many cases can be treated right there. The patients may have to return for further treatment, but ultimately, in most cases, the illness can be handled without admission to an Ontario hospital, which means the patients can stay in their own community and be near their loved ones which has a great psychological therapeutic value.

Our detention clinics in general hospitals have ended the old practice of holding mental patients in jails pending admission to one of our hospitals. Twenty-five beds are now available for such persons, mainly in northern Ontario, and when the present planned beds are completed, there will be 42 of these in the province.

A new venture this year was the taking over of the property at Thistletown, formerly occupied by the hospital for sick children. This will be used as a residential treatment centre for emotionally disturbed children, and we opened the first wing in January of this year. From the experience we had with the first small group of children, we hope to develop a treatment programme that will take care of 75 children. The average ages will run between 6 to 16 years of age, and they will all be screened through a special out-patient department.

The centre is for observation and research, and it is not intended that any patient will remain for longer than one year, or at the most two years. By that time he should be able to return home or be transferred to some other type of hospital.

These children should not be confused with mentally defective patients. They are properly described as psychotic, and are a very serious problem. And I think I can say this, that we are not sure as yet until we do the research, but probably a great deal of mental illness, which occurs from puberty on in life, may have started between 6 and 16 years of age.

Our other branch of service—that for the handicapped, or mentally defective person—suffers from the usual shortages, accommodation and staff. The hospital training school at Orillia still has a known waiting list of 2,000 and there is now one for Smiths Falls. Adult male mental defectives are cared for at Aurora, and the females at Cobourg. A site has been acquired and preliminary testing done on a property at Cedar Springs, Kent county, for a third hospital training school. We will start there with plans for 1,200 beds and allow for expansion to 2,000 beds. Some of our space could be ready by 1960.

When the total space is available, some of our worst headaches should be cured, provided, of course, that we can staff the school. I say this because it is not only a case of treatment but it is also a case of giving the children as much of their academic studies as they can absorb, and giving them special training for a type of job which it is felt the child may be able to do.

The Department of Education has taken a great interest in handicapped children, and here I do want to congratulate the hon. Minister of Education (Mr. Dunlop) and his department for the great work they have done in setting up our local day schools where these children can receive training up to the limit of their ability to absorb it. About 1,000 children are enrolled in such schools. We hope that, as this experiment expands, we may find less demand for admission to our hospital training schools.

In closing, Mr. Speaker, and in congratulating The Department of Education and the hon. Minister, I would like to say that I think it is up to each and every one of us to tell the parents of these children that, although they were not given the number of talents that some of us have, they do require far more love and tenderness than the normal child does. The parents should be told they cannot expect the children to attain the same academic standing as normal children do.

Now, I am not blaming the parents, because maternal love is stronger than anything I know of, and a normal mother and father feel that their child, whether mentally retarded or not, if given the chance to go to one of these schools, should reach the same

academic standing as a normal child. This is not possible, and I think we ought to be very, very careful in telling the parents this, because we are going to hurt them in doing so.

Mr. Speaker, in closing may I say this, that these mentally retarded and mentally defective children may be born to any one of us here, they may come to any strata of society, whether rich or poor, intellectual or not. Therefore, any hon. members who have normal children should certainly thank God at night that their children are average.

Mr. W. J. Stewart (Parkdale): Mr. Speaker, I heartily endorse the many well merited tributes paid to you on the high, efficient and dignified manner in which you discharge your duties. I congratulate you on your breadth of vision in rulings on the conducting of the business of the House; you have inspired confidence, added lustre to your historic office, you enjoy the confidence and the admiration of all hon. members of this House.

My hearty congratulations are extended also to the hon. member for Middlesex South (Mr. Allen) upon his elevation to the position of chairman of the committee of the whole House, another registration of affection by the hon. member's colleagues.

Mr. Speaker, I join with all hon. members of this Legislature in paying tribute to the memory of the members who have gone to their eternal reward. I would say to their loved ones, "to live in the hearts of those we leave behind is not to die."

I extend congratulations to the hon. member for Peel (Mr. Kennedy) the former hon. Prime Minister of this House, on his address in moving that a humble address be presented to his Honour the Lieutenant-Governor (Mr. Mackay) for his gracious speech. The hon. member was inspired by a wealth of parliamentary experience.

The hon. member for Glengarry (Mr. Guindon) well deserves congratulations on his address in seconding the motion of the hon. member for Peel. His address was highly informative and ably delivered.

Mr. Speaker, the speech from the Throne has revealed the careful consideration and the leadership by the hon. Prime Minister (Mr. Frost) and his hon. Ministers, to introduce legislation to provide for the needs of this rapidly growing province. The speech also revealed that the federal government recognizes the province's need for additional revenues, to enable the province to further assist the municipalities, who then in turn can give their taxpayers relief from ever increasing municipal taxation.

The main motion moved by the hon. member for Peel, seconded by the hon. member for Glengarry, should be carried by this House, and no doubt it will be carried.

Today, in a world faced with many grave and pressing problems, Ontario is indeed in a highly favoured position. We are in the midst of great expansion, and while Ontario for many years has been an agricultural province, it has also now become one of the greatest industrial provinces, if not the greatest, in Canada.

As Canadians, we enjoy a very high standard of living. This should, and I believe will, continue, provided we are willing to work, willing to safeguard our heritage, and to wisely use the franchise and protect our freedom.

As member for Parkdale, the House will recall I had, as other hon. members had, the privilege of serving as chairman on the select committee on reform institutions. I have never relinquished my interest in those persons who have offended against the law.

Colonel W. H. Price, a former Treasurer and Attorney-General of this province in Conservative governments, who represented Parkdale riding (and who is a very dear friend of mine) in 1922 introduced a bill to provide for probation, really a second chance, demonstrating faith in humans and demonstrating the belief that while the lamp holds out to burn, the vilest sinner may return.

I am a firm believer in supporting law and order, also in supporting the police in the proper enforcement of our laws, and in giving proper respect to those who administer justice. With persons convicted of offences against the criminal code—serious offences—I am firmly for imprisonment and penal servitude. Leniency by our courts toward hardened criminals is not proper support of our splendid and efficient police, and is not encouraging to courageous police who endanger their lives in endeavouring to apprehend lawbreakers.

I am also firmly opposed to the mollycoddling attitudes towards persons convicted of dastardly, ruthless crimes. I am opposed to pampering, and adherence to modern psychology that supports self-expression by undisciplined children and youth, the group who have been spared the rod and have not had any spiritual guidance or training by their parents.

Mr. Speaker, I do not believe the length of sentence nor its severity is a deterrent, nor is it a cure for crime. But the knowledge of sure and certain apprehension, speedy and

adequate punishment, is definitely a deterrent.

For first offenders on statutory charges probation is of unlimited value. This government is outstanding in its leadership in this regard. The government for years has built up probation, and has done much good by and through juvenile courts for juvenile offenders.

However, I suggest to the hon. Attorney-General (Mr. Roberts) that he just take a real good look at the operation of our juvenile courts. I suggest he inquire if the purpose is at times being defeated. The original purpose of the juvenile courts, I have been given to understand, was to save juveniles from the plight of conviction, also from having a black mark placed on their character they must carry for their life. Is it not a fact, Mr. Speaker, that appearances in juvenile courts are not to be recorded nor regarded as convictions? I will deal with this a little later.

Probation does not replace suspended sentence. For example, in one month in our Toronto courts, 288 adults went on probation, 377 other persons were given suspended sentence. The select committee of which I had the privilege of being chairman recommended extension of the policy of probation, and to the credit of this government there has been a substantial increase in the number of probation officers since that time.

If hon. members are interested, they might read recommendations made by that committee, Nos. 1 to 108, inclusive.

In 1952, for all of Canada, less than 4,000 persons were on probation, but in this province 3,000 of that 4,000 were enjoying that privilege.

Hon. members may be surprised to learn that last year, 1957, instead of going into institutions, 12,858 persons were placed on probation. Of this number nearly 7,000 were placed during the latter part of the year. Of these 12,858 persons, 8,506 are adults, 4,352 are children or minors. In 1957, the total number of persons reporting to probation officers for supervision necessitated 69,272 calls, plus visits by the probation officers to their homes to the number of 60,046.

Now what do these probation officers do? In addition to supervising probationers, they have counselled husband and wife in homes of shadowed thresholds, dark with fears and need. Some 38,629 cases which were dealt with did not need to go to court. That is something to prevent juvenile delinquency.

That work necessitated 98,595 interviews, endeavouring to preserve home life and in a vast number of cases improve it.

Probation officers carry out another very important duty. One of the recommendations by the select committee on reform institutions is that of pre-sentence reports and social histories for magistrates in courts. In 1957, 6,443 such reports were prepared for the courts. Also in cases where a conviction has been made and persons were sentenced to reform institutions, 921 reports were made.

Then, in co-operation with the federal authorities, 54 ticket-of-leave men are supervised.

Ontario has a very creditable record regarding probation. Back in the year 1952, about \$40,000 was spent. In 1957, it was \$760,000, and I believe it is estimated that the probation branch of the hon. Attorney-General's office will spend this year some \$900,000.

Mr. Speaker, I submit to the hon. members that this is a very great and startling investment in humans, a great advance in human betterment.

Who does this work? It is done by 118 provincial probation officers and 37 municipal probation officers, a total of 155 persons.

Mr. Speaker, I respectfully submit to you, to the hon. Attorney-General, and to the hon. Prime Minister, that from my knowledge of this operation, more probation officers are definitely needed and needed now, because the case load carried by each worker is much too heavy for him to do his job adequately. The government will bring down their budget, undoubtedly with the policy of reporting dollar surpluses. Mr. Speaker, I ask in all earnestness, who can calculate or estimate in dollars the results of probation? No one can fully estimate this, because the province of Ontario by so doing is making an unlimited contribution to the building of good citizenship.

May I just recite a few facts of interest, as a result of this government's probation policy, about the monies. In 1957, the total restitution collected from probationers, and this has been audited, \$61,188-odd. In 1957, the total amount collected for the support of deserted wives and children—this has been audited—is \$2,765,700. By probation, of the total amounts of taxable earnings of adult probationers, that was 8,506 persons, the taxable income from these persons last year was \$15 million. Well, probation costs about 40 cents a day per capita.

At the time I had the privilege of serving, to my knowledge, the average cost of supporting a person committed to an institution was about \$5 per day per capita, plus the capital cost of building more institutions, plus the costs of giving relief through the welfare departments to the families while those persons were serving their time.

The juvenile court's purpose is to save juveniles from recorded convictions, because in after-life, as we well know, it is a blot. If a man wants to get a job, he cannot get a bond, and the juvenile court's action is for the purpose of guarding against the rising generation being committed to institutions where they would complete their training in a life of crime with a loss of self-respect. The juvenile court helps children to hold their good name with no black marks against them.

I have been reliably informed, Mr. Speaker, that the police do have knowledge of appearances in juvenile court. May I ask how, and why? Let me quote from the federal Act on probation:

Where a child is judged to have committed a delinquency, he shall be dealt with not as an offender but as one in a condition of delinquency, and therefore requiring help and guidance and proper supervision.

Further, no report of a delinquency committed or said to have been committed by a child, of a trial or other disposition, of a charge against a child, or of a charge against an adult brought in a juvenile court under section 33 or section 35, in which the name of the child or its parents or guardian, or of any school that it is alleged to have been attending, or which it is alleged to have been an inmate, is disclosed, or in which the identity of the child is otherwise indicated, shall without special leave of the court be published in any newspaper or other publication.

Mr. Speaker, I submit through you to the hon. Attorney-General, I think that Act should be amended to go farther. If they cannot publish the names in the newspaper, the same restriction should be placed on magazines, radio and television. It was never intended that an appearance in a juvenile court should be used at a subsequent conviction, and the select committee dealt with that at length. But I have been reliably informed and I shall give an example or two, that juvenile court appearances are regarded in some of the courts as convictions.

Here is an instance where a youth passed all his examinations to enter into the air force. He was refused, rejected. Why? Someone found out, or someone furnished the information that, when 14, he had made an appearance in a juvenile court.

I am most reliably informed by one very close to the courts that, not very long ago, two youths appeared in a Toronto court on a charge of car theft. One gets suspended sentence, goes free. The other lad, because he had a juvenile court appearance, was sentenced to a year.

Now, Mr. Speaker, I am satisfied that the hon. Attorney-General will thoroughly examine the conditions pertaining to records and their use in the courts of juvenile appearance at subsequent hearings for trial, if any.

I sincerely hope, too, that our juvenile and family courts will continue to be the responsibility of the hon. Attorney-General's department, and not be relegated to become adjuncts of any civic department.

Further, there is another segment of our youth I would like to refer to briefly: I am referring now to the young hoodlums craving to be worshipped as heroes.

I refer to those bullies who carry spring knives, chains and weapons, ruffians who attack innocent people, yes, and have been known to beat up their own parents. For these I advocate corporal punishment.

Here is an example of a case, not so very long ago, in our courts where a son had beaten up his father. The father in court had to admit he could do nothing with the boy. The court asked him if he would consent to having the boy whipped, and he tearfully consented. Three weeks later the lad admitted to his own friends that it was the finest thing that ever happened to him, that he had come to his senses, and that he was leading a new life.

Another case drawn to my attention, just today, concerns a lady 76 years of age. She had just gone into the bank and cashed her pension cheque when a couple of ruffians came out, robbed, beat and kicked the woman.

Now, it has been reliably stated to me by people who are in a good position to know that many well behaved pupils as well as teachers in our secondary schools have been attacked, others threatened, and they are in constant fear.

I respectfully present this report to the attention of the hon. Attorney-General and the hon. Minister of Education (Mr. Dunlop), and I urge an investigation of this report at once. We have to let many of them know, particularly in this unruly group, that liberty

comes from discipline and restraint, and that freedom is not licenced.

Since entering the House this afternoon I have had placed on my desk, by a friend of mine, a book. This is the first time I have seen it, *Trouble in the Schools*, written by Dr. Wm. Hume and Harold F. Taylor, public school principal, and published in Bracebridge, Ontario.

Here is a quotation from his Eminence Cardinal McGuigan:

To indulge children in all their desires, to shrink from giving correction and discipline and punishment, is to do them a grave injustice. It is not love to refrain from disciplining one's children, it is a very dangerous kind of selfishness.

Here we have another one by Thomas Richard Henry:

Babies allowed to express themselves without discipline or punishment seem to be growing up. This is at least the only explanation we could think of that explains the behaviour of Toronto schoolboys riding on street cars. As an example, there were half-a-dozen boys of 12 years of age on a Bloor street car on Friday. They wrestled with each other, playfully pounded each other to the discomfort of other passengers, used abusive language, shouted and made blatant sounds. They threw paper around and out the window. One boy threw a bag which contained the remains of a lunch across the car and out the window on the other side.

Here are other comments by Frank Tumpane:

About every year in Toronto, boys between the ages of 8 and 12 smash and destroy between \$15,000 and \$20,000 worth of property in the Toronto parks alone. Just the other night, for example, the parks department filled the new Willowdale Park swimming pool with water. The parks people planned to test the pool, which will be open early in June—this is the first time in the city's history—young vandals stood in the park and heaved into the pool half-sections of brick they had picked up in a nearby dump. They hurled large chunks of mud over a 6-foot fence into the pool; they caused so much damage the pool had to be emptied and cleaned by a squad of workmen.

The same thing happened at Riverdale park; they pried off steel shutters, nobody knows how, but they got into the building,

smashed all the windows, wrecked the toilets, pulled the water taps from the walls, knocked over everything they could lay their hands on.

Such behaviour is not confined to Toronto. Here we have a boy, 13, who sets a barn on fire in Lancaster, Ontario, as cited by the *Toronto Globe and Mail*.

Then another comment about punishment comes from the *Globe and Mail*, which I think sums up pretty well:

The nation that has the schools has the future.

Then here is an excerpt from an article by William MacEachern in the *Toronto Star Weekly*:

A pat on the back administered low enough and firmly enough is often the best medicine for reactionary youngsters. Say a number of brave but well qualified child psychologists, "Spare the rod and spoil the child is still a valid theory."

Mr. Speaker, the select committee on reform institutions' recommendation No. 153 was for the establishment of adolescent courts.

Recommendation 142 was to establish an industrial school for offenders of the type I have referred to. Our training schools are certainly not the places for these hoodlums, now heading for a life of crime and our penitentiaries.

Tomorrow the budget address will reveal the financial position of Ontario. Among the many items of expenditures will be the money to be spent for probation. Mr. Speaker, this should not come under the heading of "expense" but rather as an "investment." It is a great sound investment in humans which produces great dividends.

I would like to remind the hon. members that I think society has come a long way in the last few centuries. There was a time when so many people could be hanged for so many different offences, where, for stealing, the hand was cut off and for other crimes an "F" was branded on the forehead.

In conclusion, I would just like to leave this thought with the government: if probation happened to be abolished, then we would have to resort to commitments back to institutions. I am sure the hon. Minister of Reform Institutions (Mr. Dymond) would agree that if such were to become the order of the day, our present institutions would be insufficient to house, hold and to properly care for those offenders.

My last thought is this—by probation, first offenders are obliged to maintain themselves and their families instead of their support being billed to the taxpayers through The Department of Public Welfare. First offenders are reformed under home environment, rather than institutions. First offenders are saved from the stigma of incarceration, and the families, wives and children from disgrace.

Mr. Speaker, I sincerely congratulate the hon. Prime Minister and his government on their leadership in salvaging humans through probation. I wish to congratulate the hon. Attorney-General and all those associated with him who are engaged in the salvaging of our human resources.

This government, in probation, has to its credit another glorious enterprise in leadership for reform and human betterment.

Mr. H. Worton (Wellington South): Mr. Speaker, in taking part in this debate on the speech from the Throne this afternoon, I wish to convey to you my congratulations, and also commend you in the fair way you handle the business of this House.

In fact, I would go so far as to say I think maybe you are just a bit too lenient with us new hon. members in the way that you handle your decisions. I do feel your fairness is only excelled by that of the hon. leader of our party (Mr. Oliver), because he certainly gives us younger hon. members every opportunity to express our thoughts.

On the first occasion I had this year to listen to the hon. member for Peel (Mr. Kennedy) I felt that he gives to the government what our hon. member for Brant (Mr. Nixon) gives to the opposition—sound advice—because at all times we look to Mr. Nixon to sort of steady us new members, sort of to hold us in balance, so that we do not try to put any resolutions through that will defeat the government.

I might add that there are several projects that I wish to talk on this afternoon, and I have prepared them by notes because I was quite interested in the remarks that the hon. Prime Minister made a few years ago in which he said if one could not speak up and tell where he lived in 20 minutes, then perhaps he might just well stay home. So I am going to be as brief as possible and get to the point.

I have chosen unemployment, hospitalization, the hon. Attorney-General (Mr. Roberts), and the hon. Provincial Secretary (Mr. Dunbar), as my topics, and I might say that

the criticisms are not too serious, but they are thoughts that I have in mind that would certainly, I believe, be of advantage to the government, especially if they are coming from an Opposition member.

Last week I took it upon myself to go to our local unemployment office and study this unemployment question which has risen over the past year, and I find that in our municipality, which takes in part of Wellington South and Wellington North, they had paid out some \$173,000 in unemployment insurance.

I went back prior to 1940, and I felt that if we had not had the federal government enact legislation such as they did in the 1940's we would have found ourselves under the present set-up which has been established by the federal government at Ottawa lately, that of 50 per cent. by the federal government, and 30 per cent. by the provincial government, and 20 per cent. by the municipalities. Now, this would have worked out to \$86,000 federally, \$52,000 provincially, and \$35,000 for our municipalities in Wellington South and part of Wellington North.

I feel that that was a great thing when they did that. However, I can hardly agree with the policy that was suggested by the hon. Prime Minister (Mr. Frost) a week ago Friday, because I feel that while his intentions may have been good, his measures were not properly planned. In fact I think the policy he adopted rather took a lot of people back to the 1930's, when governments were giving people assistance, and these people were more or less digging holes and filling them in again. I feel that if the hon. Prime Minister had adopted the policy, as he did in 1955, for the time being with unconditional grants, it would have solved the problem until such time as he could have brought forth a proper public works programme.

I want to say that, although I do not agree with the plan, I think it is every hon. member's duty to do whatever he thinks is in the best interest of the people he represents. In politics, when dealing with human beings, we have to see that every person has a place in which to stay, and make provisions so that their stomachs are filled so that they can carry on the normal way of life.

The next thing I wish to discuss this afternoon is hospitalization.

Some time ago, along with the hon. member for Wellington-Dufferin (Mr. Root), I had a discussion with our "co-op" medical group in Wellington county, and one of the items that came out for much discussion was the

great increase that this new plan is going to mean to those who have belonged to this "co-op" society, and they are not too well pleased with it. Now, I could perhaps say that it is not the headache of the Opposition, but on the other hand I think that if we can suggest something that will help both the government and the people, then we should do so.

I would like to suggest that the hospital commission look into the possibility of setting up zones. In other words, we in the Guelph area have a smaller room rate, or at least a lesser room rate, than that in Toronto. I think hon. members will find that in the rural areas, the number of claims on the "co-op" are somewhat less than what they are in the cities.

I would suggest if the government could set up zones similar to those of insurance companies, and to those established in connection with the Bell Telephone Company, the cost would be distributed where it should be, and in our case it may lessen. In some of the larger centres it may increase. But I do feel that everybody should take what they are entitled to and nothing more.

Now, the other thing that I wish to speak on briefly, Mr. Speaker, is the hon. Attorney-General's department. For the past number of years, there has been considerable criticism throughout the province about ambulance service.

Now there are some municipalities that are in the fortunate position that they can subsidize the ambulances, whereas other municipalities have to adopt a plan where they give volunteer service. Even the best of operated services sometimes causes delay to those in need, and I would like to suggest to the hon. Attorney-General that consideration be given to the provincial police operating an ambulance service on some of the busy highways.

For example, this could be done on highways Nos. 2, 400, and 401, where perhaps the accident rate is somewhat high. I believe the provincial police, Mr. Speaker, are trained in St. John ambulance work, and I feel that if the department would supply them with, let us say, station wagons, a couple of stretchers and the proper equipment, these men could not only do patrol duty, but they would also be on hand to give emergency service in the case of those who are injured.

Hon. A. K. Roberts (Attorney-General): I assume the hon. member is not suggesting that we would use the present personnel, or a portion of the present personnel, of the police

on that type of service. If he is, then I would like to say at once that I feel that we need all the energy and all the available force to take care of the job on the highways as it is, and that they should not be diverted to any other duties of that sort.

Mr. Worton: Mr. Speaker, I would suggest that we need some more officers for patrol duty, and that these could, as I said, take part in patrol duty and also provide an ambulance service on those busy highways.

Now the next thing that I wish to speak on is a little certificate which I have here, and I notice that the hon. Provincial Secretary is not in his seat, but I will convey it to him personally after I have spoken here.

In several instances regarding the hon. Provincial Secretary's offices, we have post-cards that ask certain information in regard to births and marriages, and they are filled out and put in the mail.

Human nature being what it is, sometimes there is some very private information put on these, and I would like to suggest that he consider putting some of these forms in envelopes so as to keep the information as private as possible. Now there is no rush on that matter, because hon. Mr. Pearson has suggested in his new programme he is going to help married couples, and I know that there will be a decline before April 1 in marriages, so the hon. Provincial Secretary can take his time in thinking that over, and perhaps inaugurate it after April 1.

Mr. Maloney: After all the divorces are applied for.

Mr. Worton: Now the other thing that I would like to work on is The Department of Highways, and I might say that we have always received fair treatment up in Wellington South, and I feel as an Opposition member that they have well taken care of me as far as highways are concerned. We have just completed one between Guelph and Fergus, but the unfortunate part about it is that the hon. member for Waterloo North (Mr. Wintermeyer) and I inquired, last year, of hon. Mr. Allan if we could be permitted to secure certain information regarding what was going on in our district. Unfortunately we were never advised as to what was taking place.

Although I realize there are certain things that an hon. Opposition member perhaps should not have in the way of knowledge, on the other hand there are certain things we should know. When people come to us, and we do not have the facts, and we have to write or phone to Toronto, there is quite a bit of delay. I feel that we should be able

to consult with the engineers who are working in that area, and be consulted, so that we can bring forth the problems of the people whom we represent in a fair manner, and be most helpful not only to the people we serve, but also to The Department of Highways.

I am going to close with one final point, because I intend getting in on the budget debate. This has to do with The Department of Reform Institutions.

I spoke to the hon. Minister of Reform Institutions (Mr. Dymond) some time ago about this. The Guelph reformatory has always been noted for its beautification projects, but I feel that during the past few years it has slipped somewhat. The rocks that line the streams have slipped down in. I know that the officials have considerable help there and I would like the hon. Minister to look into that, and see if the rock formation cannot be restored to its original beauty, and be an asset not only to the municipality and the riding which I represent, but to The Department of Reform Institutions also.

Now, Mr. Speaker, I said I would be very brief this afternoon, and I would conclude my remarks by saying "thank you" for your undivided attention. I will have more remarks to make on the budget debate because finances, and how the government spends the money, are more interesting to me, and perhaps I can do more correcting than talking.

Mr. W. E. Johnston (Carleton): Mr. Speaker, in rising to say a few words on the Throne debate, first of all I would like to do as all other members have, that is, offer my sincere congratulations to you for the very able fashion in which you are conducting your duties. I think it is very fine and fitting that you have been able to act in this capacity, and provide the services so necessary in your capacity as Speaker of the House.

Also, Mr. Speaker, I would like to take this opportunity to congratulate the hon. mover of the Throne speech, the hon. member for Peel (Mr. Kennedy) of whom we are all so proud, and also his hon. second, the hon. member for Glengarry (Mr. Guindon). Each in turn did a magnificent job, as far as I am concerned, and I am sure by the response from this House, and little or no criticism may I say from the Opposition—that is, criticism that amounts to anything—we can assume generally that they both did a very fine job.

I would like to make some comments, particularly on the reply to the speech from the Throne made by the hon. leader of the Opposition (Mr. Oliver) some days ago.

As a farmer, and also as the representative of a predominantly agricultural riding, I was naturally very interested in his remarks regarding agriculture. In expounding his forecasts for the future of agriculture in Ontario, the hon. member certainly sounded like a prophet of doom, with his belief that Ontario is in danger of becoming a province of peasants and tenant-farmers, a conclusion which I am sure most reasonable individuals will brand as ridiculous.

Having regard to the recent Liberal government's policy at the federal level, I feel that the hon. member and the hon. Liberals in this House are rather rash in entering the lists on the subject of agriculture. In the latter years of the Liberal government's period of office, we in the agricultural industry all experienced the recession that resulted from an inept agricultural policy—a policy that produced enormous unmarketable wheat surpluses, butter surpluses, cheese surpluses and so on, with very substantial drops in the prices of these commodities as the only possible result.

For the creation of this dangerous situation, the Liberal party must accept the full responsibility.

It is my view that the return of the Conservative government to Ottawa was most timely. Their actions in regard to the agricultural situation have been a refreshing change, and in the field of wheat marketing in particular, we have already experienced a distinct improvement. For one thing, I refer to the wheat sale to India. Personally, I am convinced that the victory of the Diefenbaker government averted the development of a catastrophic situation, as far as agriculture is concerned.

At this stage, I would like to mention a matter raised by the hon. leader of the Opposition in another context, which I feel has the greatest possible bearing on agricultural marketing. I am referring to the recent trade mission which the Conservative government sent to the United Kingdom with the avowed intention of increasing our trade with that country. If, as the hon. leader of the Opposition and other hon. members of the Opposition have suggested, the federal Liberals are determined to make an issue of this at the coming election, then all I can say is that they must be very bankrupt of constructive ideas.

I am no economist, but as I understand the situation, we have at the present time an adverse trade balance with the United States. Similarly, the sterling area has an adverse balance with us. Surely it is a logical

step to make some attempt to cancel this out. I have been chagrined to watch the way our markets for agricultural products in the United Kingdom have been dissipated as a result of years of Liberal misrule, and I will now refer specifically to some outstanding examples.

First of all, I would like to remind the hon. members that during World War II, Canada built up a very extensive market in bacon and pork in the United Kingdom. For many farmers, this was a most satisfactory and profitable outlet for this product. I can assure the hon. leader of the Opposition that the prices we received were far from the "starvation" level that he has indicated.

What has happened to this market? It has vanished, simply because a Liberal government sought to ingratiate itself with the powerful neighbour to the South.

Similarly with our traditional cheese market in Britain—the market for this commodity, once the backbone of Ontario's dairy industry—has also been thrown away.

I would like also to mention one other item that I find particularly annoying, and that is the complete loss of our pre-war apple market in the United Kingdom. The proof that a ready market for our products is still available in the United Kingdom is exemplified by the fact that, in 1955, the year of our bumper apple crop, when prices here hit an extremely low level, one shipment of Canadian apples was allowed into Britain, and the price received for that shipment in the Liverpool market still stands as the record high.

May I also remind the House that during the 1952 outbreak of foot and mouth disease in Saskatchewan, the United States placed an absolute embargo on imports of Canadian meat products. The United Kingdom on the other hand opened her doors to Canadian meat at this crucial period and, in return, supplied to the United States previously purchased Australian beef in fulfilment of Canada's commitments. Surely such actions indicate a desire to trade, which we should endeavour to reciprocate.

To contrast the picture, what market has the United States to offer for our products? We all know that at present we maintain a reasonable trade in both beef and dairy cattle, but apart from that, we are in competition right down the line, and I regret to say that in that competition under Liberal rule—or misrule—Canada has come a very poor second.

It is, therefore, with amazement that I have listened here to the severe castigation to

which Mr. Duncan, chairman of our Hydro Electric Commission, has been subjected by the hon. Opposition members for his part in the trade mission on this vital subject. Such criticism merely emphasizes the lack of any constructive policy by the Opposition.

I personally wish to commend Mr. Duncan most highly for his part in this mission, and also for his acceptance of the two-thirds of a mile formula for hydro supply. Both are factors of the greatest importance to the agricultural industry in this province.

I would like now to emphasize some steps that this government is taking to maintain some of our existing markets. I am referring particularly to the brucellosis eradication programme. The eradication of this disease is a matter that has concerned the United States government greatly of recent years and I believe that, in that country, they are well on the way to achieving this goal. It is no secret that certain pressure groups in the United States would like to see the cessation of the importation of Canadian livestock, and already we have considerable restrictions placed on the importation of livestock, based on health status.

It is indeed fortunate that in Ontario we have been making strides, in co-operation with the federal government, in the direction of brucellosis eradication on an area basis. We have provided free vaccination and, in this fiscal year, have expended over \$500,000 in this service. I would urge the government to continue the expansion of this programme with all possible haste, in order that our market may not be endangered.

The Scots are a people renowned for their business acumen, and there are many of their attributes that we would do well to imitate. I therefore mention in passing that their livestock possess the highest health status in Europe, and it is only from that country that Canada will permit embarkation of cattle for consignment here. I would like to see Canada, and Ontario in particular, enjoy a health status for our livestock, not just the equal of the United States, but surpassing any other country in the world.

I would like now to commend the work of The Department of Lands and Forests. They are at present developing plans for the establishment of a park in the Fitzroy harbour district of Carleton county. This area is one of the most beautiful in the Ottawa valley, and I am sure that if the present plan comes to realization, it will provide a most pleasant recreation area, both for the present generation and for posterity.

Finally, I have a request to make, and this I direct to the hon. Minister of Highways (Mr. Allan). In brief, I would like to suggest that he give consideration to commencement of the western approaches to the Queensway in Ottawa in the current fiscal year. I have been over this area with the engineers and other interested parties, and I believe that one of the considerations that is delaying work on this project is the probability of a link-up between the main Canadian Pacific and northern Canadian National lines.

If this plan comes to fruition, it might mean a saving of one bridge in the approaches. Nevertheless, I feel that the sum gained by this economy would be more than offset by the rise in total cost, which can be anticipated if this project is delayed.

I therefore urge that this work would relieve the serious problem of congested traffic on both highways, Nos. 15 and 17, approaching the city of Ottawa, and that this be given priority.

In concluding, I would like to state the pride that I feel in being associated with the hon. Prime Minister's (Mr. Frost's) government, and when I make that statement I feel I am speaking the views of the entire Progressive-Conservative party. Under this guiding hand, Ontario has gone from strength to strength, and I am sure that when this period comes to be viewed in the perspective of history, "the Frost era" will be recognized as the golden years.

Mr. J. Yaremko (Bellwoods): Mr. Speaker: since you give of your time, your thought and your courtesy to all hon. members of this House equally, and since you govern our deliberations with an even temper and an even hand, it is no small wonder that many hon. members have paid their tributes to you.

I, too, have shared in those facets of your warm and genial personality, and I extend my tribute to you also.

I do this not only for your personal self but because of the high office you occupy. You in human person personify one of the finest of our democratic institutions. You are the ears to which the voice of the people is directed. You are the person, the facility through which each and every hon. member of this House carries out their obligations to those who sent them here. They speak and you listen, they speak freely and unrestricted.

And, Mr. Speaker, to one such as I, that has a special significance and meaning. I come from a stock, I spring from the blood of a people, who are now in their millions, and whose neighbours in their millions are under

the enslavement of Communist tyranny and do not enjoy this privilege which I share with all the hon. members of this House. You can see why rising in this House has a special significance for me.

I, too, should like to place on record of this House my personal tribute to the hon. member for Peel (Mr. Kennedy). Through 39 years he has devoted his life in this Legislature to the service of the people, not only of his riding, but of Ontario. To have maintained the confidence of his electors and all who have come into contact with him during those many years must be indeed a great source of satisfaction to him. May his inspiring presence be with us for many years.

Yes, Mr. Speaker, it is a privilege to rise and give voice to one's thoughts and I take this opportunity to do so.

Uppermost in my mind this afternoon perhaps is the question of unemployment. I know what unemployment means. I know what having no money coming into the family means. The 1930's are years I remember well. In those years, events took place which I shall never forget. I think of a family with 10 children whose father was laid off from work and who had no means. That was my family. I think of cardboard stuffed into shoes because the soles were bare. I think of a youngster who studied by candlelight because the hydro was cut off. I think of the futility of relief payments. I do not need to be told by anyone, not even by the hon. members of the Opposition, what unemployment means. I learned the hard way.

Those are things I do not want to happen to a single family in my riding, or anywhere, again. I am confident that under this administration it will never happen again, because in those years I learned something else, that the answer to the problem was a lunch pail under the arm of a man, a man going to a job. And from that time on, I said to myself: "I will support the man who will put lunch pails into the hands of men."

Today I stand in support of the hon. Prime Minister (Mr. Frost), he is that man. He is that one man within this province who, looking at 6 million people, sees individual human beings with all their individual needs—the sick, the disabled, the unemployed with little or no funds. That means a great deal to me. I trust that I will never look at the people of my riding as made up of figures, but that I, too, will always see them as human beings.

Our hon. Prime Minister saw the problem, the need to get a job for the man who is not receiving unemployment insurance benefits. He took action, a potential \$5 million worth.

And he took it in the right direction. "Let us create jobs," he said to the municipalities. "Create jobs and we will pay 70 per cent. of the labour costs. Use \$7 million worth of labour and we will pay you back \$5 million of it. Create jobs, and you will get the benefit, and you will pay only 30 per cent. of the labour costs."

Jobs, not relief, that is the answer. Pay cheques, not relief vouchers, that is the answer.

Mr. Speaker, why is Ontario strong? Because of the willingness and the desire of its people to work, and that is the desire and willingness to be satisfied.

I was shocked the other day when I heard an hon. Opposition member who should know better say that relief was preferable to the jobs to be created by the government scheme. Surely it is common-sense logic that it is better to spend a little more and give some economic return to the community, surely that is one lesson we learned from the past.

If I went to almost any householder in my riding and I said to him: "If your eave-trough needs repairing, hire someone to repair it, and I will pay you 70 per cent. of the labour cost," I am sure that each and every householder would take me up on that proposition. And if I were to say to the hon. member for Bruce (Mr. Whicher): "If your house needs painting, hire a painter and I will pay you 70 per cent. of the labour cost," I am sure he would take me up on that proposition.

Mr. Whicher: Is that on the outside or inside?

Hon. L. M. Frost (Prime Minister): Certainly, the hon. member would give the job, but he does not want the municipalities to take that great offer. That is the trouble with him.

Mr. Yaremko: But if that proposition were made to the hon. member for Bruce, I am sure he would take it up. Perhaps his house does not need painting, perhaps his house is in perfect condition, I do not know. But he would be a very fortunate man indeed if it was.

And yet, when this type of proposition is given to the municipalities by this government, what do the hon. members of the Opposition do? They scoff as they scoffed this afternoon. It will not work, they say, it cannot be done, they say—

Mr. Whicher: Everyone else is scoffing at it too.

Mr. Yaremko: —and they say it even before the scheme has scarcely begun. Absolute defeatism. That is what they show. And in the face of facts I maintain that it can be done and that it can work, and in the face of the fact that it is such a fair proposition, any householder would be very happy to have a similar deal, and a municipality is nothing much more than a large household.

But that is not the main point, and the hon. Opposition members have completely overlooked it. The main point is jobs for those who need them most, because everyone who gets a job through the government scheme provides assurance that someone else will get back to work sooner. His job is insurance that someone else will not be laid off. Jobs create jobs. The problem is a progressive one: help those who have little coming in, and get them to a job; then get the others back to work; then keep everybody at a job.

The hon. member for Waterloo North (Mr. Wintermeyer) once wrote of the people of Ontario that we are spirited, courageous and progressive. With that, we on this side will agree. But he had better get his hon. colleagues in the Opposition in a corner and remind them of that. The hon. Prime Minister has said this is an experiment. I say to you, Mr. Speaker, it is a shining example of the willingness of this government to bring fresh ideas to the problems of the day.

But this much is true, that if the defeatist attitude of the Opposition were to prevail amongst the men whose co-operation is needed to make this scheme work, then the scheme will not be a success. But I have much more confidence in the councils of the municipalities, the council of Toronto, than the hon. members of the Opposition have. They will, I am sure, recognize fully the purpose of this scheme, the practicability of the scheme and get busy as they have already done, and put the men to work.

As to those in my riding who qualify, I hope they start immediately, because I want to see some of that \$5 million find its way into the purses and the shopping bags of the people in my riding.

Mr. Whicher: Well, they started last Wednesday, did they not?

Mr. Yaremko: I say to the hon. Minister of Public Works (Mr. Griesinger), let him set the example, set the pace, make an immediate review of every bit of repair and renovation work necessary in every government building in Ontario, and let us also "do

it now." And when the hon. Treasurer of this province, the hon. Prime Minister, brings down the budget, I am sure there will be specifically set forth the most important factor, a public works programme to create jobs. That is the problem of the day.

I say to the hon. Prime Minister that I hope his \$5 million goes fast, and if it does, that he go right ahead and put to work whatever else is necessary. He will get the backing of every hon. government member, I am sure.

Mr. Whicher: Yes, so am I.

Mr. Yaremko: The other week the hon. member for Bruce stated that he now respects the difficult position in which the Opposition is placed simply because they are outnumbered. I suggest to him that numbers have nothing to do with it, not at all. If the hon. member would review the past few years for himself, he would see the real difficulty that he and his hon. associates are operating under. Every action of this government, every position taken by this government, has been so right that they have had to dig and scratch to find the least shred of criticism. That is the handicap the Opposition has been labouring under.

I do sympathize with the hon. member for Bruce and his hon. associates, yes I do, because the burning desire to criticize, which sitting in the Opposition chairs creates, gets the hon. member and his hon. colleagues in some weird positions.

What was the subject matter of the severest criticism the Opposition has made in the past three years? I am sure the hon. member for Riverdale (Mr. Macaulay) would agree with me that it has been this government's stand on federal-provincial relationships, especially on the question of dollars for hard pressed Old Man Ontario. Never has an Opposition opposed anything so strongly, and never has an Opposition been so wrong.

A year ago this government fought for the people of Ontario, yes the little people of Ontario, that it always fights for. Whom did the hon. members of the Opposition fight for? They fought for a government that, a few months later, was rejected by the people not only of Ontario but throughout Canada, yes, rejected by the "little people."

The hon. member for Waterloo North is not in his seat, but today he speaks of "sell-outs." I say to him that a year ago, he and his hon. colleagues tried to persuade this government to participate in the biggest sellout ever. Indeed, we cannot call it a sellout, indeed it was a free giveaway.

Last year the hon. Opposition members were ready to settle for nothing, not even one red cent. Today they criticize this government for having obtained, in the meantime, 22 million good Canadian dollars for the people of this province.

I have more confidence than the hon. leader of the Opposition has.

The hon. member speaks today of a sell-out, but what does the Toronto *Daily Star* say?

It is, however, a marked improvement over the tax-sharing plan proposal of the late Liberal government.

Late? Mr. Speaker, the old Liberal government had reached the stage they did not even know what time it was.

About 9 months ago, I had occasion to visit western Canada. When my plane landed in Winnipeg, I rushed out to buy the western newspapers, a whole armload, to familiarize myself with the political climate. After I read about 3 newspapers, I was not too happy; the west did not look like a good place for an hon. Progressive-Conservative member from the Ontario Legislature to be. For a fleeting moment, I had the idea that discretion might be the better part of valour, and that I should get right back on the plane and head east.

But my curiosity was piqued—why this intense animosity towards Ontario? What basis was there for the arguments used?

Then I saw an article in the Winnipeg *Free Press* of May 27, 1957, 14 days before June 10. I do not know the complexion politically of this newspaper, but I am sure the hon. members of the Opposition do. It was an article by Grant Dexter, and was headed: IT'S NOT ONTARIO'S MONEY. The bigger headline was: ONTARIO LIBERALS VERSUS MR. FROST.

I wanted to see how a Liberal newspaper was interpreting the position of the Liberal Opposition, in Ontario, to the people in western Canada.

I quote the Winnipeg *Free Press*:

The Frost-Diefenbaker tax agreement is being resisted in Ontario by the provincial Liberal party as well as the federal Liberal party.

Oh yes, it was wrong for hon. Prime Minister Mr. Frost to back Mr. John Diefenbaker to get a better deal for Ontario, but it was all right for the Ontario Liberal Opposition to defend, to use a word the hon. leader of

the Opposition uses, the "indefensible" position of the old Liberal government to deny the people of Ontario a better deal.

I quote the Winnipeg *Free Press*:

It is wrong to believe that, in seeking a much greater share of the federal corporation and inheritance taxes (15-15-50), as opposed to the St. Laurent government's (10-9-50), the Frost government speaks for all the people of Ontario.

Mr. Speaker, the Frost government did and does speak for all the people of Ontario and on June 10 the people of Ontario spoke for themselves, as they will on March 31.

An hon. member: Will the hon. member permit a question?

Mr. Yaremko: After I get through with the article, it is so interesting I enjoy it every time I read it:

The Liberal party in the Ontario Legislature, from the opening on January 28 until the close on April 3, resisted this policy and defended the 10-9-50 formula.

Can hon. members imagine somebody in western Canada wondering whether there really was not something wrong with the government of Ontario when the Opposition opposed a measure from the day of opening until the day of closing of the Legislature?

I quote:

The case against the Frost-Diefenbaker formula was argued with clarity and force. Indeed, the speeches of J. J. Wintermeyer, MLA for Waterloo North, the Liberal financial critic, and Ross M. Whicher, MLA for Bruce, are abler defences of the present federal tax agreement policy than any speeches made at Ottawa.

How wrong can hon. members get?

Again, interpreting the hon. member for Waterloo North, Mr. Dexter says:

The Frost Government was now [that is on May 27, 1957 and earlier when the hon. member for Waterloo North made the speech] getting all that it could reasonably expect.

And \$22 million today is something to be sneezed at!

It is a long article, and most interesting. I quote:

Under criticism in the Legislature, the case of the Frost government against the federal tax agreements did not stand up.

Mr. Speaker, I suggest to you that compared to the leg that the Liberal Opposition stood on, this government's position was that of a centipede—with 100 legs.

Yes, a year ago the offer of nothing more was—I quote the hon. member for Waterloo North—"basically fair," but today \$22 million is "a sellout."

Mr. Speaker, the hon. members of the Opposition were wrong a year ago, and they are just as wrong today.

I continue the interpretation for western readers by a Liberal newspaper:

The right policy for the Frost government to follow, said Mr. Wintermeyer, and the Ontario Liberals supported him, is to increase provincial taxes and not to try further to increase direct taxes on incomes and corporations. By provincial taxes, Mr. Wintermeyer meant the gasoline tax, motor vehicle taxes, liquor taxes and so on.

Mr. Speaker, I ask you, if a western reader were reading this newspaper, he would I am sure deduce this: "My gosh, the Frost government doesn't want to raise their taxes; they want to get their money from someplace else; it is not fair of the Frost government." But when the "right policy" of the hon. member for Waterloo North was put to a vote in this House, who voted for it: the government members. And who voted against it? The hon. member and his hon. colleagues. Having voted in this House against his own "right policy," he proceeded, after this House rose, to put himself on record again in a letter to the *Toronto Globe and Mail*. He wrote, and I am only quoting part of it:

Do tears of self-pity blind us to the fact that Ontario is a strong province [and I referred to this earlier] with spirited, courageous, and progressive people, and that we are capable of providing our own revenues?

If voting to provide our own revenues makes a people spirited, courageous, and progressive, what did voting against the increases in revenue make the hon. members of the Opposition, when they voted against it?

I quote the Winnipeg *Free Press* article.

The Ontario Liberals also showed that the Frost government is not going into debt.

We can imagine the reaction of the western reader, "Why all the screaming east of the Manitoba line if the government is not going into debt?"

A week ago the hon. member for Bruce spent considerable time proving how far we had gone into debt and were going into debt.

An hon. member: That is what I want to know.

Mr. Yaremko: This is not my interpretation; this is the interpretation of the *Winnipeg Free Press* for the western readers. That is how they looked at the hon. member's words in this House.

Now, getting into the hole is a matter which deserves serious consideration, I agree. But what was the position of the hon. member for Bruce when there was a possibility of plugging up that hole a little, or at least of keeping it the same size as a year ago? He "sat pat." Should we get more money from the federal government, the old Liberal government, because of that hole a year ago? Oh no, after all, they had reduced the federal debt by only \$2 billion in the past 10 years.

An hon. member: And every other province reduces too—

Mr. Yaremko: But the hon. member was quite careful when he was pointing out the senior governments which had reduced their debt. He was quite careful not to mention the \$2 billion federal reduction in debt, and why would he not? Because it would prove that again his position a year ago was wrong. Now, because of that hole and the possibility of that hole getting bigger, should we have increased our revenues a year ago? Oh no, those measures were, and I quote the hon. member for Bruce only a week ago, "ridiculous." Should we have increased gasoline taxes? Oh no, says the hon. member for Bruce. Let us take over some 9,384 miles of county roads. Oh yes, says the hon. member for Bruce. He was not worried about county roads a year ago when monies had to be raised.

Interjection by an hon. member.

Mr. Yaremko: Oh no, there was only one thing the hon. member and his colleagues were worried about a year ago, and that was defending the old Liberal government in Ottawa.

An hon. member: What is he trying to defend now, the old Tory government?

Hon. Mr. Frost: The new Tory government.

Mr. Wintermeyer: If they did not have that \$500 million, why we would be "broke."

Mr. Yaremko: \$22 million. Now, Mr. Speaker, the matter which concerned me most a year ago in the federal election was that there was one obnoxious detail about the whole campaign—the setting of the other provinces against the province of Ontario in the campaign across this nation of ours. That was, I think, Mr. Speaker, the most shameful way in which any campaign could be carried on.

An hon. member: Who did that? Whereabouts?

Mr. Yaremko: The hon. members of the Opposition established the basis from which other people derived that kind of talk, “It is not Ontario’s money.” Over and over again, we heard in this House a year ago, “More for Ontario means less for the rest of the provinces.”

Mr. Speaker, in this House and out of this House, the hon. Prime Minister spoke on behalf of Ontario, it is true, but in almost every speech that he made, he mentioned Nova Scotia, New Brunswick, Prince Edward Island, Saskatchewan. And, Mr. Speaker, last January—

An hon. member: Would the hon. member tell us what the hon. Prime Minister had requested?

Mr. Yaremko: A fair share for every province is the answer.

An hon. member: Like \$100 million?

Mr. Yaremko: A year ago the cry, and the basis of the cry outside this House from one ocean to the other ocean, was the position of the Liberal Opposition in this House; “More for Ontario means less for the other provinces.”

And last January there came forth \$87 million, of which \$22 million was for Ontario, \$65 million for the other provinces.

Mr. Wintermeyer: Is the hon. member taking the position that the explanation of the \$100 million, that the hon. Prime Minis-

ter requested, has been changed to mean \$100 million for the whole of Canada?

Mr. Yaremko: The point I would make is this—a year ago, the hon. members of the Opposition did not want one red cent more. Today we have \$22 million.

To get back, Mr. Speaker, to the \$87 million of January. There was \$22 million for Ontario, \$65 million for the rest of the provinces. Mr. Speaker, the silence of the hon. members of the Opposition about the \$65 million has been deafening, they have said not a word about it.

Mr. Speaker, why have the other provinces of Canada 65 million more Canadian hard dollars in their pockets, and the province of Ontario \$22 million? I say it is because of the action of only one man, because he got up and he fought. Because he did so, little people of the province of Ontario are now \$22 million richer than if the Liberal Opposition in this House had persuaded this government not to proceed. Also, because our hon. Prime Minister fought, there are \$65 million for the little people in the remainder of the provinces of Canada. There is only one man responsible for the whole \$87 million, and he is hon. Leslie M. Frost.

An hon. member: I thought it was the hon. member for Bellwoods who was responsible.

An hon. member: The hon. members of the Opposition always think wrong about it, that is the trouble with them.

Hon. Mr. Goodfellow moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I move the adjournment of the House. Tomorrow we will go ahead with Throne debate and with bills on the order paper.

Motion agreed to.

The House adjourned at 6.00 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Tuesday, February 25, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, FEBRUARY 25, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Clerk of the House: Mr. J. A. Maloney, from the standing committee on private bills, presents the committee's second report and moves its adoption.

Your committee begs to report the following bills without amendment:

Bill No. 20, An Act respecting the Ontario dietetic association.

Bill No. 21, An Act respecting the township of Teck.

Bill No. 31, An Act respecting the city of Belleville.

The committee also begs to report the following bills with certain amendments:

Bill No. 5, An Act respecting the Stratford Shakespearean Festival Foundation of Canada.

Bill No. 10, An Act to incorporate the Sudbury Young Women's Christian Association.

Bill No. 17, An Act respecting Queen's University at Kingston.

Your committee would recommend that the fees, less the penalties and the actual cost of printing, be remitted on Bill No. 5, An Act respecting the Stratford Shakespearean Festival Foundation of Canada.

Motion agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I move, seconded by hon. Mr. Dunbar, that this House will tomorrow resolve itself into the committee of supply.

Before you put that motion, I should like to refer to a question directed to me by the hon. leader of the Opposition (Mr. Oliver) yesterday as to when the budget debate would be proceeded with. I think I said on Monday or Tuesday.

However, I would like to inform the hon. members that on Monday it has been ar-

ranged for the hospital insurance agreement to be signed in Ottawa, and I would very much like to be here to listen to the hon. financial critic of the Opposition, therefore the debate will come on Tuesday if that is satisfactory.

I may say if it is not satisfactory, Thursday and Friday of this week are available, but I should judge that next Tuesday would be the best day.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I move, seconded by hon. Mr. Dunbar, that this House will tomorrow resolve itself into the committee on ways and means.

Motion agreed to.

Hon. G. H. Dunbar (Provincial Secretary): I beg leave to present to the House the following:

The report of the hon. Minister of Education (Mr. Dunlop), for the calendar year 1956.

Mr. Speaker: Introduction of bills.

THE DISABLED PERSONS' ALLOWANCES ACT, 1955

Hon. L. P. Cecile moves first reading of bill intituled, "An Act to amend The Disabled Persons' Allowances Act, 1955."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the administration of the welfare allowances programme, blind persons' allowances, disabled persons' allowances, mothers' and dependent children's allowances, and old age assistance has been brought together into one branch of the department, the welfare allowances branch.

This bill brings the Act into line with the current administrative arrangements.

THE BLIND PERSONS' ALLOWANCES ACT, 1951

Hon. Mr. Cecile moves first reading of bill intituled, "An Act to amend The Blind Persons' Allowances Act, 1951."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, what was said in respect to the previous bill also applies to this one. The amendment will bring it within the current administrative arrangements.

THE OLD AGE ASSISTANCE ACT, 1951

Hon. Mr. Cecile moves first reading of bill intituled, "An Act to amend The Old Age Assistance Act, 1951."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the same explanation would go for this bill, with this added, that words will be added to provide authority for including, in an agreement with Canada, conditions of eligibility for allowances as set out in the regulations, and also a clause will be added to require any additional condition of eligibility, contained in the agreement made under section 2, to be set out in the regulations.

THE MOTHERS' AND DEPENDENT CHILDREN'S ALLOWANCES ACT, 1957

Hon. Mr. Cecile moves first reading of bill intituled, "An Act to amend The Mothers' and Dependent Children's Allowances Act, 1957."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, again over and above the explanation as given, in the other bills there is this to be added, that the term "foster mother" is extended so as to permit payment of an allowance to any person, if otherwise qualified, who acts in *loco parentis* to a foster child, as for example a male foster parent. The redefinition of the term "regional administrator" brings it into line with current administrative arrangements.

A new feature, also, is that the allowance may be paid to an unmarried mother only if she is 18 years of age or over, and her dependent child is at least 6 months old. Also, a new section provides a method for computing the required one-year period of residence in Ontario, in cases where the mother moves from another province into Ontario.

THE INDIAN WELFARE SERVICES ACT

Hon. Mr. Cecile moves first reading of bill intituled, "An Act to amend The Indian Welfare Services Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, a new section to this Act is to be added. It will enable a mother's allowance to be paid to an Indian mother with a dependent child or children, if she is a widow, or if her husband is permanently unemployable for reason of mental or physical disability.

Another clause to be included will enable agreements to be made with the government of Canada respecting the payment to Indians of general welfare assistance, unemployment assistance, or direct relief.

THE MUNICIPAL ACT

Mr. T. D. Thomas moves first reading of bill intituled, "An Act to amend The Municipal Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this is permissive legislation that will allow a municipality to pass a by-law granting the vote to those British subjects over 21, who have been resident in the municipality for 12 months, of course not allowing them to vote on many by-laws but a general municipal vote of the municipal elections.

THE TRAINING SCHOOLS ACT

Hon. M. B. Dymond moves first reading of bill intituled, "An Act to amend The Training Schools Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this amendment provides for employment of a full-time chairman on a salaried basis. The function of the advisory board is to advise the department on all matters pertaining to the operation and government of our training schools. They are people who perform this service as a public duty and give us excellent service. The work is increasing a great deal, and we feel that it is now necessary to have them headed by a full-time salaried chairman.

THE PUBLIC PARKS ACT

Hon. W. K. Warrender moves first reading of bill intituled, "An Act to amend The Public Parks Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, at the present time, approval of the Ontario municipal board is required for the setting apart and leasing of certain portions of public parks for recrea-

tional purposes. It has been thought that the approval of the municipal board is not necessary in such cases, so we are substituting the council in the place of the municipal board.

THE PROVINCIAL PARKS ACT, 1958

Hon. C. E. Mapledoram moves first reading of bill intituled, "The Provincial Parks Act, 1958."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this Act was revised in 1954, and is now again revised in order to bring it into line with present-day conditions. The two commission-type parks, Long Point and Presqu'île, under part 2 of the present Act, are now administered by the Minister, and the commissions are dissolved.

Part 2 of the present Act is therefore obsolete. Part 3 of the present Act is also obsolete—no parks have been placed under it. This bill is therefore much shorter than the present Act, and it continues the basic principles of that Act.

THE POWER COMMISSION ACT

Hon. R. Connell moves first reading of bill intituled, "An Act to amend The Power Commission Act."

Motion agreed to; first reading of the bill.

He said: The new subsection in this Act will authorize the commission to pay grants in lieu of taxes based on the rate of 60 per cent. of the assessed values, instead of the present rate of 25 per cent.

The second section of the bill provides a uniform and a simple, economical method to provide lighting in townships.

THE ADMINISTRATION OF JUSTICE EXPENSES ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to amend The Administration of Justice Expenses Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill makes a few amendments that tie it in with the bill which was introduced by the hon. Minister of Reform Institutions (Mr. Dymond), which transfers the duties of sheriffs in certain respects to those persons under the jurisdiction of reform institutions, and also provides for the increase, in serving a subpoena in the county or district court, from \$1.50 to \$3.

THE SHERIFFS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Sheriffs Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this amending Act also is to give effect to the changes that will be brought about by the bill I have just mentioned, transferring certain duties of the sheriff to the reform institution officers.

THE FIRE DEPARTMENTS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Fire Departments Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill provides for the agreement which may be arrived at by bargaining—the agreement, decision, or award to be in writing. This brings it in line with The Police Act, which requires similar agreements and awards to be in writing. It also provides that, if the municipality and the fire fighters consent, the collective bargaining agreement may now remain in force for a period of 2 years.

Under the present Act, this agreement is limited to a one-year term.

There is also provision to correct what the city of Sudbury seems to think is an unwitting requirement of the Act, that if the chief in an emergency wants to call out the full-time fire fighters, he must call them all out. The correction enables him to call out those who are not on duty to the extent that is necessary.

THE LIBEL AND SLANDER ACT, 1958

Hon. Mr. Roberts moves first reading of bill intituled, "The Libel and Slander Act, 1958."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, may I say that it would be my intention, if the House agrees, that the bill which I just introduced a moment ago—that is, the fire department amendment bill—be referred to the committee on legal bills, and also that this bill be referred to that committee.

The law of libel and slander is a complex law, and this is a rewriting really of The Libel and Slander Act to bring it in line with present-day conditions such as broadcasting, radio and television operations. Also, it has the effect of making some alteration in the burdens of proof, in some cases affect-

ing the defendants and in some cases affecting the positions of plaintiffs, in establishing their cases.

The Act, I am sure, will be given a very thorough examination before the committee on legal bills, and I would only say at this point that the material contained in this Act has received a great deal of study by people whom I believe to be experts in this field.

THE PRIVATE INVESTIGATORS ACT, 1958

Hon. Mr. Roberts moves first reading of bill intituled, "The Private Investigators Act, 1958."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, I would say that this bill will take the place of The Private Detectives Act, which has not been revised for 30 years, and during that period there has grown up a very substantial private detective agency business. The name "detective" will be dropped from the title, there will be more attention paid to the qualifications of investigators and their employees and the licencing of them, and the question of "identification card" will be limited to "card," and badges and shields and that sort of thing will be eliminated. Bonding provisions will also be changed or modified. Mr. Speaker, I suggest that this bill also go to the committee on legal bills.

THE JUDICATURE ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Judicature Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, I would say that the effect of this amending Act will be to provide for two more judges of the trial division of the Supreme Court of Ontario.

Mr. Speaker: Before the orders of the day, I think all of us have taken note of the fact that we have quite a number of visitors in the House to view the proceedings, and we welcome them. There are students from Bedford Park Public School and Howard Park Public School in Toronto and from Port Colborne High School, Toronto Teachers' College, and a large group of men and women representing the Federation of Agriculture from all over the province of Ontario.

Hon. Mr. Frost: Mr. Speaker, I beg to table answers to questions Nos. 3, 6, 9, 10 and 13.

Hon. J. W. Spooner (Minister of Mines): Mr. Speaker, before the orders of the day, I would ask leave to present to the House the latest publication of The Department of Mines. I am pleased indeed, so soon after the end of the year 1957, to be able to offer the hon. members a factual and, on the whole I think, a very comprehensive report of the principal developments in the field of mining in this province during the year that has closed.

It requires only a superficial reading of the first few pages of this report, fittingly entitled *Forging Ahead in 1957*, to show that it was a fruitful year for the mining industry.

The value of production was at an all-time peak as the mines of Ontario pumped about \$740 million of new wealth into the national bloodstream. This, as the report explains, is only the preliminary figure, and as such it will certainly be increased by many millions of dollars when the final returns are in.

It is quite probable that the final calculation will show an increase in production in a single year of a full \$100 million. Just 25 years ago, that amount was more than the full value of all Ontario's mineral production for the 12-month period.

During 1957, we saw 10 great mines swing into production, 7 of them were uranium mining enterprises, two in the Bancroft area of eastern Ontario and the other 5 in the fabulous Blind River-Elliott Lake area.

In addition, we now have 20 other mines under development and are nearing the time when they too will be adding their output to the nation's wealth.

This number would have been increased very materially had the market for copper and some other base metals not "gone soft." When the price fell off so badly, a number of extremely promising developments had to be curtailed or suspended.

There is every reason to hope and expect however, that the situation is only a temporary one and that, when prices are restored to a more normal level, the operations will be resumed.

Part 2 of the report deals in detail with the several branches and offices of The Department of Mines. It is designed to acquaint the hon. members of this House and the general public with the functions that are performed by each of them, and by the department as a whole.

I think this section does much to explain the organization through which a comparatively small staff of 225 persons, many of whom are highly trained specialists, are able to handle the great volume of work entailed in the service of the mining industry of Ontario.

Mr. Speaker, I very earnestly recommend this report, *Forging Ahead in 1957*, to the attention of every hon. member. It has been written specifically for the layman, and the story it tells is that of one of our greatest industries. I expect that during the course of this session I will have occasion to refer to it again. May I suggest likewise that hon. members keep a copy of it available for future reference.

Mr. Speaker: Orders of the day.

SPEECH FROM THE THRONE

Hon. W. A. Goodfellow (Minister of Agriculture): Mr. Speaker, in rising to participate in the Throne debate this afternoon, as usual I would like to congratulate you, and at the same time sympathize with you, for the patience which you exhibit from time to time with some of the hon. members of this House. You are filled with the milk of human kindness, and I know that you are admired greatly by all hon. members of this Legislature.

This afternoon I would like to direct my remarks more or less to a specific subject.

First, I would like to join with you and with the hon. members of this House, in welcoming to this assembly a very distinguished group of people from rural Ontario.

These people represent one of our important farm organizations, the Federation of Agriculture. Represented here today are members of commodity groups and affiliates, and I hope the impressions which they will take away from this chamber this afternoon will indicate to them that the law-makers of this province are at least attempting to work on behalf of all the people of the province of Ontario.

We welcome, in our department, ideas which are constructive in nature from all community groups, and particularly those engaged in agriculture. We also welcome constructive criticism, because that is good also, because it helps us to create and formulate policies in the interest of this most important basic industry in the province of Ontario.

We are pleased to note the interest exhibited by the hon. members of this House

in matters pertaining to agriculture, as indicated by the addresses they have made during this current debate. My only regret is that it was not possible for more of our hon. members to avail themselves of sitting in with the committee on agriculture this morning. But I realize that, between the Ontario plowmen's association and the good roads convention, it was not possible for as many to turn out as would otherwise have been the case.

We are always looking for ideas which will better agriculture in this province, and as I said a few weeks ago, in remarks I was making elsewhere, we have to seek advice and guidance from those out on the concessions across this province.

I think the strength of our department lies in the fact that, not only do the officials in The Department of Agriculture avail themselves of every opportunity to travel across this province to farm meetings, in order to gain ideas and advice from the farmers themselves, but also in the organization we have, through our extension service, which extends across Ontario and is always assisting us in the administration or the betterment of agriculture in this province.

I want to say a word, in my opening remarks, in connection with a very close friend of mine of many years standing. He was a man who had devoted his life to the farm people of the province of Ontario, first in his own respective jurisdiction as an agricultural representative and later as a predecessor of mine as hon. Minister of Agriculture in this province. He was a man of great ability, a man who gave his all at all times, and I think those of us who knew him best could say that, due to the service which he rendered to agriculture in this province, he went to a premature grave.

I refer to the late "Tommy" Thomas, a friend of all hon. members of this House, a man who made a great contribution to agriculture in the province of Ontario.

I would also like to say a word with respect to another predecessor of mine, a man from whom, for nearly 15 years, I have sought advice, frequently and regularly, a man who has had great experience in public life and whose advice, in my opinion, was very valuable.

Although I would never expect to be able to copy many of the patterns set by the hon. member for Peel (Mr. Kennedy), who I regret is not in the House this afternoon, I assure hon. members that he has gained many friends in this province, especially among those engaged in agriculture. As far as the farmers

in this province are concerned, hon. Mr. Kennedy might well be called "Old Man Ontario."

There are many things in connection with agriculture in this province which I might discuss this afternoon, but I propose to leave those matters for some further remarks which I hope I will have the opportunity to express in this House at the time the estimates of the department are brought down.

Agriculture has many facets. There are many factors in connection with successful agriculture in this province. I name only a few; research, extension, farm management, production, and quality. All of these are important.

Particularly during the past year, one factor in connection with agriculture in this province has come to the fore, and I have said many times that I felt, at the conclusion of 1957, that I had acted not as Minister of Agriculture for the province of Ontario, but rather Minister of Marketing, because of the time which was devoted to that particular phase.

Marketing is very important to the farm people of this province. I cannot understand why marketing has so suddenly come so much to the fore because, in this province and in other jurisdictions, marketing legislation has been a gradual evolution, and it is only in this last year that it has gained so much prominence in spite of what it has accomplished for the agricultural industry down through the years.

Marketing is very important. It is of little use for a farmer to produce good food products if he cannot sell those products to good advantage, and there are certainly advantages to be gained on the part of farmers in this province and in all jurisdictions, to be able to market their products collectively.

I would like to review, to some extent, the background of farm marketing:

Farm marketing first came into the forefront in connection with agriculture as a result of the drop in farm prices in the early 1920's. I well remember reading, in the *Country Gentlemen* at that time, articles on plans for farm marketing by a certain man by the name of Sapiro, who came from California, and was trying to introduce farm marketing by trying to organize farmers for the purpose of selling their products collectively.

Unfortunately those plans failed, to a great extent at least, because of the very fact that many farmers, like most people—in fact I think like all people—were always prepared to take advantage of benefits without assuming any responsibility for the setting up of any

of these plans. Also, many farmers had the habit of breaking away from the co-operative plan of marketing if they felt it was in their own individual interest to do so.

It was found, therefore, that that type of farm marketing could not succeed because of the ease with which certain farmers could break away from the co-operative selling ventures in their particular commodity.

In other words, the marketing of a farm commodity can succeed only if the full control of that commodity is secured under the particular plan. That was the conclusion reached because of experiences which farm marketing underwent in the early days of its introduction.

In 1934, the Canadian federal government of the day appointed a Royal commission to inquire into mass buying and price spreads, and out of that Royal commission inquiry it became quite evident that the depression was falling unduly heavily on the agricultural industry. This was also evidenced by farm prices.

As a result, the federal government introduced, in 1934, the first farm marketing Act in Canada, called The Natural Products Marketing Act.

I might say that farm marketing of this type originated in Queensland, Australia, about 1922, and Great Britain introduced a counterpart of the Queensland legislation in 1931 and amended it in 1933.

As a matter of fact, during the past year, I have received thousands of letters from farmers who, for one reason or another—perhaps through misunderstanding to a great extent—do not like some features of farm marketing.

I tried to compose a letter that would please everybody, but that is a very difficult thing to do, I realize. I pointed out in this letter that this legislation was not new, and had been in effect in Canada and Ontario for many years, and that it dated back to Queensland in Australia in 1922, and from 1931 in Great Britain.

I never looked into the facts as presented to me by a certain irate farmer, who replied that he could easily understand why these two governments introduced this radical legislation, because the government of the day in Queensland and the government of the day in Great Britain were social governments, but I am not prepared to vouch for that.

I would say it was very progressive legislation, as has been proved by the beneficial effect it has had on the stability of farm prices in Ontario.

The basic essential principle, in any farm marketing plan, is that where a majority of producers of a commodity desire to sell their products collectively, the minority may be compelled by law to join in a common sales policy.

I would say, Mr. Speaker, that it sounds much worse than it actually is, but it is necessary in order for any farm marketing plan to operate successfully. This was learned through the failure of the earlier co-operative farm marketing plans. Therefore, where a majority votes in favour of a marketing plan, then the minority must submit to the majority in respect to the carrying out of that particular plan.

Within two years after the introduction of The Natural Products Marketing Act by the federal government in 1934, some 22 marketing plans had been established across Canada under this Act.

But then the validity of the Act was questioned, and it was referred to the Supreme Court of Canada, which found that this Act was *ultra vires* of the federal government, and it was further referred to the Privy Council, which upheld the decision of the Supreme Court. Therefore The Natural Farm Products Marketing Act was no longer effective as far as the federal government was concerned.

But the government of the day in the province of Ontario—and I do want to give credit to the hon. members of the Opposition who represent that party which was the government of the day—immediately stepped into the breach, and in 1937 the original Farm Products Marketing Act of Ontario was passed and put into effect.

The purpose of this original Act in Ontario was to preserve those things which had been established and secured for the commodity groups under the original federal Act then operating in the province of Ontario.

I might add that a predecessor of mine, the hon. member for Peel, did introduce in this House, in 1934, an Act dealing with milk, which had many features that later were incorporated into The Farm Products Marketing Act and The Milk Control Act which came into effect at that time.

From 1937 until the present time, 21 marketing plans covering 36 crops have come under the Act. Only two of those plans in that 20-year period have been revoked by a vote, leaving 19 marketing plans, covering 31 commodities, at the present time in effect under The Farm Products Marketing Act and the complementary legislation which we have for marketing under The Dairy Industry Act.

Mr. H. C. Nixon (Brant): Could the hon. Minister tell me what those two were?

Hon. Mr. Goodfellow: Yes, the two marketing plans covered 5 crops. The Essex-Kent early potatoes and Holland marsh vegetables were revoked 3 years after they were approved, following a vote as to their continuation. Those are the only two that have been revoked by a vote, so that we have at the present time 19 plans in operation, covering 31 crops.

I think, Mr. Speaker, I can quite properly say that for the most part these are working very satisfactorily on the whole and in the interests not only of the producer but also of the processor and the consumer, because they do have an effect of stabilizing prices on particular commodities.

It is not necessary for me to name the various plans which are operating under this Act, starting in 1937. The latest one, of course, is the Ontario flue cured tobacco growers' marketing plan of 1957.

I see here on my notes that someone in my department has these marked off as "schemes." Last year, I made it clear to this House, when we introduced the amendments to The Farm Products Marketing Act, that I did not like any part of the word "scheme" to be tied up with anything with which the farmers have to do. Therefore, from here on, it is supposed to be called a marketing plan. I like that much better for anything with which farmers are connected. I do not want anyone to think that a farmer would scheme in any way, shape or form to do anything.

Another matter which I wish to discuss for a few minutes, one which we hear a great deal about—we get pros and cons on this particular feature in connection with the farm marketing plan—and that matter concerns the percentage of votes required to introduce or repeal a plan.

I think most hon. members have heard something about what the percentage of votes should be on any particular plan that is to be voted in, and in the same way any plan that might be subjected to a vote to have it repealed.

I might say that as far as I am personally concerned, I have an open mind on what the percentage of votes should be. I do feel though that I should point out that I believe, as a farmer myself and knowing farmers as I think I do, that farmers are like the fellow from Missouri, "They like to be shown." They are individualists, and they do not like to feel they are being pushed around in any way, shape or form.

Therefore I believe it is important that, if any of these farm marketing plans are going to succeed, it is necessary to do a good "selling job" on the farmers growing that particular commodity in the first instance, but that there should be a continuing selling job, pointing out to those particular farmers exactly what their marketing board is doing for them, and the advantages they are deriving from the marketing plan under which they are marketing their crop. I think that is important.

I might say that from 1937 to 1957, from the time The Farm Products Marketing Act was first brought into effect in Ontario until last year—about a year ago now—the percentage required to carry a vote to introduce a plan on a particular commodity was 66⅔ of the eligible voters. All these plans which I could mention which are listed here—some 19 of them—came into effect by a vote for the most part, and that vote was based on 66⅔ of those eligible to vote.

Last year we reduced that percentage. The first vote in the province on any commodity, carried out on the new basis, was the tobacco vote last May. At that time the farm marketing board reduced the requirements to 51 per cent. of those eligible to vote. They also included that 60 per cent. of those voting must vote in favour.

I might say that the important percentage is the 51 per cent., because almost invariably a plan carried by 51 per cent. of those eligible to vote would most certainly have over 60 per cent. of the voters voting in favour.

May I refer to the peach vote which was to have been held on January 27. Due to circumstances beyond our control this vote has been postponed indefinitely, due to an injunction filed in the courts. The 60 per cent. factor would have been dropped in that particular vote, and only the 51 per cent. of those eligible would have been retained.

I might say that outside of Saskatchewan our voting percentage requirements are the lowest of any jurisdiction in Canada. I do not know if we can use Saskatchewan as an example, because Saskatchewan has only one plan in effect at the present time, whereas the province of Ontario has 19 marketing plans in effect.

We find that, for instance, in Quebec and New Brunswick they take two factors into consideration in the requirements on a vote. It is required there that 75 per cent. of those eligible to vote, vote in favour and that those 75 per cent. must represent 75

per cent. of the total crop involved. That will appear to the hon. members to be very rigid and very high, but that is the case in the provinces of Quebec and New Brunswick.

In Great Britain, where they have had a great deal of experience with farm marketing plans, the requirements are 66⅔ per cent. of those eligible voting in favour, and the 66⅔ per cent. must represent two-thirds of the crop involved in the plan.

I think, Mr. Speaker, those are things that we should look at closely and very carefully. As I said, I have an open mind on the matter, but I feel, in the interests of farm commodity groups, that they must assure themselves of overwhelming support if they hope to have these plans effective with the least possible opposition.

Of course, I realize, as the hon. members do, that regardless of any plan that ever was evolved and put into effect, we will always have certain individuals in the community who will oppose it just as a matter of principle. I am not thinking of those people, I am thinking of the vast majority of the good farmers who need to have a selling job done on them as to the value to be secured from a sound marketing plan, rather than have them feel that they are being subjected to something they are dubious about supporting.

I want to speak for a few minutes on the matter of marketing boards. It is common knowledge now that the hon. member for York South (Mr. MacDonald) raised a question, and I came right out in the open as I usually do and admitted that a speculative story was prepared and circulated in the press last fall in connection with the constitution of marketing boards.

We have, in the province of Ontario, administering The Farm Products Marketing Act, a board comprised of civil servants.

Such is not the case in all provincial jurisdictions. Both in British Columbia and Quebec, a judge is appointed to administer The Farm Products Marketing Act. As a matter of fact, in the province of Quebec, this judge is not under the jurisdiction of the Minister of Agriculture, but is directly under the Prime Minister of Quebec himself. But that is the way it is administered in Quebec and British Columbia, by a judge who becomes familiar with farm marketing and his decisions would be judicial in nature.

Our milk industry board in Ontario is what might be called semi-judicial, inasmuch as the chairman of the board is a judge who

has had a great deal of experience down through the years serving in that capacity, under the old Milk Control Act and more recently under The Milk Industry Act, and the two men working with him are very conversant with all factors connected with the dairy industry. That is another type of board.

I feel that administration by civil servants is something that has to be given a good deal of consideration. There has been some criticism from some sources in respect to our board being comprised of civil servants—and after all, as Minister, I welcome criticism because that is what we expect as elected representatives of the people—that is a good healthy sign when an elected representative is criticized—but I feel that civil servants should not be subjected to unwarranted criticism. That is the reason why the speculative story was put out to the farm people of this province in connection with the manner in which a farm products marketing board should operate in the future.

Because of the fact that I had heard, directly and indirectly, a great deal of criticism of the present board, I was amazed at the response I had to that story which went out to the farm people of Ontario. I have here a very thick file, from practically every farm commodity group in the province which is operating under a marketing plan, and this file very conclusively indicates that, in their opinion it is well, at least for the time being, to continue under our present administration and supervision of the farm products marketing board.

So with that in mind and with the support that we have received for the present board, the present set-up will continue until such a time as the farm people of this province are prepared to take over the administration of The Farm Products Marketing Act, with all of the headaches that would be involved.

I am looking at the president of the Ontario Federation of Agriculture, and I am telling him that nothing would please me better, or please me more as Minister of Agriculture, than to be able to turn over the headaches of the administration of The Farm Products Marketing Act to a board representing the farm commodity groups in this province. I doubt whether, if I had the president or the executive of the Ontario Federation of Agriculture in a quiet place, they would indicate to me that they desire to take it over at this time. I think that they would rather favour the idea of leaving the matter where it is, at least for the time being, in view of the satisfaction expressed by a vast majority of the commodity groups in the province.

I might say that last Thursday, by order-in-council, a new member was appointed to the Ontario farm products marketing board. I have had this under consideration for some time, and recommended it to the government. Mr. Clifford R. Magone, former deputy Attorney-General, is now a member of the Ontario farm marketing board.

It is our feeling that, with Mr. Magone's vast experience as a civil servant working his way up in The Department of the Attorney-General to the office of deputy Minister, and with his knowledge of our Farm Products Marketing Act, he will be a great asset.

I would say that no one in Canada has a greater knowledge of that Act than Mr. Magone, due to the fact that he was delegated by this government to carry Ontario's farm marketing legislation before the Supreme Court of Canada, and I might say that I think a good deal of the success which we have achieved, in straightening out the misunderstandings which existed in connection with farm marketing, has been due to Mr. Magone. He has done much to straighten out that situation, and I feel that he will be a very valuable man to have dealing with the many legal technicalities which seem to come to the forefront from time to time in connection with the administration of the Act.

Mr. MacDonald: Is he a new member or a replacement?

Hon. Mr. Goodfellow: A replacement.

Mr. MacDonald: Who is he replacing?

Hon. Mr. Goodfellow: Mr. Watson, the livestock commissioner. Mr. Watson is a very busy man as livestock commissioner, and it was felt advisable that Mr. Magone replace him as a member of the farm products marketing board in this province.

I feel that Mr. Magone's services will be very valuable not only to the department and to the government, but also to the farm commodity groups, having in mind the vast knowledge he has of these particular Acts which will come under his jurisdiction, along with the other members of the board.

I would like to say a word about Mr. Frank Perkins, the marketing commissioner for Ontario. I worked closely with Mr. Perkins on many occasions, particularly during the past year and a half, and I want to say that Mr. Perkins, at all times, was a friend of the farmer, and that perhaps no man anywhere has a better knowledge of farm marketing than has Frank Perkins. He is of great assistance to us in carrying out and keeping

on the rail, so to speak, many of these plans and the problems which they produce.

I just want to deal with the two types of plans which come under The Farm Products Marketing Act, and they are vastly different in their effect. The first type is the negotiated type, or the collective bargaining type, and for the most part that has been the only type of marketing plan we have had in the province of Ontario up until recently.

I find that the farmers, who are connected with the commodities that come under this collective or negotiated type of plan, are very well satisfied indeed with the benefits they have derived down through the years through the collective bargaining arrangements, where the regulated product is still owned by the farmer and sold where he wishes, subject to minimum prices and provisions of sale negotiated by his marketing board.

I might say that, at the present time, we have 15 plans of this type in the province of Ontario. They cover 28 crops with an estimated value last year of \$250 million. They include such crops as tobacco, canning crops, beans, sugar beets, and so on.

I find that there is very little controversy over these particular types of plan, and I would say to the hon. members of this House that as far as the percentage of vote is concerned on a negotiated plan, I would be prepared to consider, and to suggest to the farm products marketing board, that in this particular type of plan, if we had 51 per cent. of those voting, voting in favour, there would be no serious objection raised and no one would be running into too much trouble, because the plans are just accepted and they work, and have been of tremendous benefit to the farm commodity groups involved.

I might say that the tobacco marketing plan comes within this part, and I do not want to go into any detail in connection with the problems with which the tobacco growers were confronted in this province. To use a rural term, that would be threshing old straw. But there was a question in the minds of a great many people as to whether this plan would work, and whether the 1957 tobacco crop would be marketed before it spoiled.

This plan came about as the result of great dissatisfaction—which was apparent from the hon. members of the Opposition — to the original type marketing which had been in effect for many years. As a result of a vote which took place on May 22 last, an overwhelming majority of tobacco growers in this province indicated that they were not satis-

fied with the existing type of marketing and voted themselves into a farm marketing plan under The Farm Products Marketing Act.

I am not going to go into all that transpired, but with that overwhelming majority, it was so evident that the tobacco farmers wanted a change in the type of marketing they had, that the government had no hesitation whatever in supporting them to the full, because we believe in our farm marketing legislation and we believe that, where a commodity group indicates by an overwhelming majority that they want such a marketing plan, it is up to us to stand behind that commodity group.

That is what we did insofar as tobacco is concerned, and I might say that the pressure was terrific until finally the hon. Prime Minister of this province (Mr. Frost) called together the growers and the buyers, and a compromise was reached, and tobacco got off to a good start, so far as selling through the warehouses under the "Dutch auction system" of selling was concerned.

I might give to the hon. members of this House the up-to-date report. We are getting a report on the sales of tobacco day by day of the week previous. As of last Friday, there had been marketed through the 3 warehouses in this province, out of a total crop of 149 million pounds, some 63 million pounds, and there were still 86 million pounds to be marketed.

This is what I like about this particular week's operation—and this has been true for the last 3 weeks—every week the average price which the farmers are receiving for their tobacco has been on the increase. Last week the average price for the tobacco marketed through the warehouses was 52.9 cents per pound, which is 3.9 cents per pound above the average minimum price established by arbitration prior to the sale of tobacco.

It is estimated that if the present volume of sales continues—and we are being very conservative with a small "c" in this estimate which Mr. Perkins has prepared for me—in the 47 working days, it is only necessary for the 3 warehouses to handle 1,821,000 pounds a day to dispose of the balance of 86 million pounds of tobacco by April 30. The average last week, each day, was in the neighbourhood of 2.3 million pounds, so Mr. Perkins tells me.

Without being overly optimistic, he has every reason to believe that the entire 1957 tobacco crop will be marketed by April 15.

I say to the hon. members of this House that, when farm commodity groups indicate that they want to set up a marketing plan

under provincial legislation, it behooves us as a government to show that we believe in this marketing plan, and we will stand behind that marketing group to the last degree.

Mr. Speaker, I am taking much more time than I intended to. I could talk for a long time about another type of marketing plan, the marketing agency or the single sales agency type of plan where the farmer owns his product but the agency sells it for him and returns payment. I believe their success depends not on the strict letter of the law, but on the soundness of the methods of operation.

We saw an example of that with the fresh peach growers of this province who, last year, ran into difficulty. After two or three years of quite successful operation, circumstances beyond their control created difficulties in marketing the fresh peaches.

As a result, the agency found that they owed the fresh peach growers, who were marketing through them, some \$75,000.

I might say that I believe that the growers of peaches for this particular market still believe in this plan, and once we can get this vote back on the track, they will support the plan knowing it is in the long-term interests of the peach growers to market through a single agency.

I want to commend the fresh peach growers' organization in this respect, that as soon as they found they were in difficulty they immediately came in to the board and myself. They laid their cards on the table in connection with their operation, with the financial circumstances in which they found themselves, and with the auditor's statement. One likes to help people who do things in that way.

And I assure hon. members that, when this plan is again voted upon and it secures the necessary support, we, the department and the government, will support the peach growers in every way we possibly can.

Mr. Speaker, I was going to take up more time, but I am not going to discuss hogs this afternoon. It is one of the most important farm commodities in the province of Ontario.

The subject has been very controversial, as a matter of fact it was primarily on account of the apparent dissatisfaction on the part of certain people in connection with this plan that our whole farm marketing legislation was referred to the Supreme Court of Canada. As the result of that, we have strengthened The Farm Products Marketing Act by amendments, which were passed by this Legislature at the last session, which we believe have closed all the loopholes. We

believe this type of marketing can be carried on without interference.

But, at the same time, I would point out again to the hon. members that I believe, in order for any plan to succeed—especially a compulsory plan—that that commodity should have a vote in order to assure that the plan has the support of the producers of that particular commodity.

I had thought earlier this afternoon that maybe March 31 would be a good time, it would save many people a lot of inconvenience.

Mr. MacDonald: Has the hon. Minister a voting list ready?

Hon. Mr. Goodfellow: Practically all ready. But I do feel, in the interest of all farm commodity groups who wish to establish a farm marketing plan, that they should first assure themselves that they have the support of a predominant majority of the people who are producing that particular commodity.

With these remarks, Mr. Speaker, I want to again assure the hon. members of this House that we welcome their suggestions. We feel that we want to do those things which are in the interest of agriculture in this province from the long-term standpoint, and I will have further remarks to make about other factors in connection with the work of The Department of Agriculture at a later date.

Mr. R. Whicher (Bruce): Mr. Speaker, I have a question which I would like to ask the hon. Minister, if he would answer it.

The hon. Minister has stated that he believes that a marketing plan should have a majority of at least 51 per cent. of those eligible to vote. For what possible reason can he include, among those who are eligible, people who for religious convictions will not vote, and as a result by reasons of religion in fact vote against the scheme?

Hon. Mr. Goodfellow: Well, of course, I would say to the hon. member that it could work both ways, that due to religious convictions they do not see their way clear to vote, and that if they do not like the plan it might be forced upon them. It could work both ways, as far as those who have religious convictions are concerned.

Mr. Whicher: Mr. Speaker, it works only one way, because when a farmer stays away, it means that he votes against the plan.

Mr. H. C. Nixon (Brant): Mr. Speaker, may I ask the hon. Minister a question? Has the tobacco growers' co-operative asked for financial assistance from the provincial govern-

ment, or would that request be made to the federal government?

Hon. Mr. Goodfellow: I might say to the hon. member for Brant that there was some intimation made that they might require some financial assistance from government sources. But I question at the present time, due to the way tobacco is moving, whether they feel it will be necessary for them to get into the market and buy tobacco at this particular time. That is something that is entirely up to the tobacco growers themselves.

Mr. Nixon: Was that request made to the provincial government?

Hon. Mr. Goodfellow: No, a suggestion was made once or twice, but no specific request.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, may I first extend my thanks to you for the co-operation and assistance you have always given so freely; and congratulate you on the very fair and impartial way you conduct the proceedings in this assembly.

I would also like to extend my congratulations to the hon. mover (Mr. Kennedy) and the hon. seconder of the motion (Mr. Guindon) now being debated. I want particularly to congratulate the hon. member for Peel, Mr. Kennedy. Anyone with a record of 50 years in public life has, I think, a record which I feel quite sure will not be equalled.

I would also like to congratulate the hon. Minister of Reform Institutions (Mr. Dymond) and the hon. Minister of Mines (Mr. Spooner) on their appointments to their respective portfolios. I am quite sure, Mr. Speaker, that they will administer the affairs of their department ably and well.

For a few moments, I would like to speak on the present acute unemployment situation. Now that we are in the middle of a federal general election campaign, I feel quite sure that the political parties on the hustings will make this an issue. Prior to the election last year on June 10, the Liberal party had administered the affairs of this country for 22 years, and one would expect that they would have worked out a solution for the present unemployment situation.

In fact, I think it was the late Mr. Mackenzie King who stated in 1945 that the Liberal party at that time had a shelf of public works projects that they could immediately put into effect if our free enterprise system failed in providing jobs for the people who needed employment. Two elections were fought on that issue — in 1945 and 1949.

But in recent years, I think, Mr. Speaker, it has been proved that no shelf of public works ever existed. The only effort to solve unemployment was the do-it-now programme since copied by the Conservative party, that programme, Mr. Speaker, of "get your drapes and summer clothes cleaned in January instead of in the spring."

From the record of the Liberal party, I think they are hopelessly incompetent to deal with the present unemployment situation, and I think they have no chance of being returned to the government of this country on March 31. I believe the day is fast approaching, when we will return to the two-party system in this country, and I feel quite sure that the Liberal party will not be the second party.

But I believe the Liberal party, the body of liberalism and its appeal to the country, is quite cold, and the day is now coming when I think we will have a repetition of what has happened in Great Britain, the decay of the Liberal party.

But what of the approach of the Conservative party to unemployment?

Well, Mr. Speaker, the argument of the Conservative party is they are not responsible for the present unemployment situation. I most humbly suggest, at a time of unemployment like this, that we do not argue or quibble over who is responsible for unemployment. It does not matter whether we have 100 persons or 600,000 persons unemployed. For the particular individual who is unemployed it is a desperate situation.

The question is, what are we prepared to do to alleviate unemployment? I suggest that Canada, with wise planning and intelligent leadership, is destined to play a major role in world affairs, and this young country with its resources, I feel quite sure, can and will rise to the occasion.

In this country today we need homes, hospitals, roads, and schools, and one may ask where the money is to come from.

Well, Mr. Speaker, I do not think there would be any difficulty in finding the money. If we spend only a fraction of the money we spent in the last war, I am quite sure our needs could be met. Of course we can find the money.

Let us remember this, that in the building of the homes needed by our people, and the schools, hospitals and roads, we are helping in building a "better tomorrow." Public works of all kinds are urgently needed in this country, and I would suggest there is not one municipality in the entire province of

Ontario that would not undertake works of a capital nature at the present time if they could obtain money at low interest rates.

In our country today there are hundreds of thousands of men and women eking out an existence with incomes of between \$15 and \$30 a week. What kind of asinine, stupid system are we living in, which will allow men and women to eke out, in idleness, a bare existence on \$15 or \$30 per week, when, with the expenditure of a few more dollars, we could put them to work on much needed additions like homes, schools, hospitals, and so on?

One other point, Mr. Speaker, I would like to mention is this: There is some confusion in the figures of the number of men and women unemployed today; some say 500,000, some go as high as 800,000. But let us take the middle figure just to get my point across.

Supposing there are 600,000 men and women unemployed in this country today. Those people are deprived of the things they need, and their purchasing power has been cut in half. That, I suggest, is bound to have some effect on the economy of this country.

Now I think, Mr. Speaker, the hon. Prime Minister (Mr. Frost) will agree that, if we are to have any public works projects, it will take some months before the plans come off the drawing boards. It will take some months before the plans are designed and approved.

In the meantime something must be done.

Perhaps that was what the hon. Prime Minister had in mind when he mentioned in the Legislature, a week ago last Friday, that he intended to allot \$5 million in the supplementary estimates to give the municipalities an opportunity of providing relief work at the present time.

I am quite sure, Mr. Speaker, that the announcement on Friday afternoon was very heartening news to the municipalities. I thought at that time that the scheme, or the plan, had some merit. But on the week-end I gave the plan some thought and consideration, and the only conclusion I can come to is this, that the hon. Prime Minister was much more interested in hitting the headlines for the week-end news than he was in the mechanics of the plan.

The work designated by the hon. Prime Minister included tree cutting and, as the hon. member for Essex North (Mr. Reaume) said, picking up peanut shells in the park, and work not normally undertaken by the municipalities.

Mr. Speaker, I would like to give an illustration of what this plan is likely to do in the

city of Oshawa. At the present time, in the city of Oshawa, we have 2,700 men and women unemployed. Of these, 141 are receiving relief, not full relief, from the city of Oshawa, and because of the severity of the weather at this time of the year, the number of persons who would qualify for that type of employment is exactly 36.

Hon. Mr. Roberts: Of these figures, are all the balance drawing unemployment insurance, or entitled to draw unemployment insurance?

Mr. Thomas: Yes, I would say most of them. Some on unemployment insurance get as low as \$6 per week, consequently they would qualify for unemployment relief from the local relief administrator, but at the present time we have 141, and only 36 are eligible for this type of employment.

Now, Mr. Speaker, I do think that the government must take another look at this plan.

Hon. G. H. Dunbar (Provincial Secretary): I think the hon. member has made a mistake there, they may be on relief and still be drawing some unemployment insurance relief. They are eligible to work on the scheme.

Mr. Thomas: Yes, that is right.

Mr. J. Yaremko (Bellwoods): I would like to ask the hon. member a question just to clarify this in my mind.

Does the hon. member mean that there are 115 people on relief in Oshawa and everybody else is receiving unemployment insurance?

Mr. Thomas: Yes.

Mr. Yaremko: Does he mean that there is nobody who is not receiving unemployment insurance and not receiving relief? No one in that category?

Mr. Thomas: Oh yes, there are.

Mr. Yaremko: How many are there in that category?

Mr. Thomas: I cannot say. There are 141 at the present time receiving assistance from the relief administrator in the city of Oshawa.

Mr. Yaremko: Then there are 141 receiving relief, so many thousand receiving unemployment insurance. My question is, does the hon. member know the number who are not receiving unemployment insurance, not receiving relief, and who are unemployed at the present time?

Mr. Thomas: No, I cannot give that figure.

Mr. Speaker, I do think the government should take another look at this plan in order to broaden it and make it more attractive to the local councils. Frankly, unless the plan is revised, Mr. Speaker, I think that the plan is a half-baked scheme.

Interjections by hon. members.

Mr. Speaker: Order. Order.

Mr. Thomas: Mr. Speaker, I refuse to yield the floor.

Mr. Cowling: Can I not ask a question?

Mr. Speaker: If the hon. member will not permit a question—

Mr. Thomas: Mr. Speaker, if the plan is not revised, I think it is a half-baked scheme. I think it was conceived in haste and will be barren of returns, and I do think that the hon. Prime Minister should have the courage to revise this plan, or discard it and throw it in the wastepaper basket where it belongs.

Mr. Speaker, some mention has been made of the housing situation in Ontario. I intend to refer to it briefly. I believe that perhaps I may have some figures that have not been quoted by the hon. members, figures that I would like to bring to the attention of this assembly.

The National Housing Act is designed to help in the building of new homes. But is the Act effective? I submit it is not. The Act is not effective in providing homes for the people in the low income groups who really need them.

In 1956, under the National Housing Act, the average income of those assisted under the authority—and I want you to note this Mr. Speaker—the average income was \$5,312 yearly, but only 8 per cent. — only 8 per cent. — of those who filed income tax returns in 1955 made above \$5,000, and only 204, out of a total of 47,593 borrowers under the National Housing Act, or .4 per cent., came within the \$3,000 or less mark.

Now, Mr. Speaker, it is estimated that one-third of the population of Canada today are under the age of 18 years, and it is expected that in the next 10 years they will get married and raise families. Add the new arrivals from abroad, and it becomes very evident that the housing situation with the low rate of building today will obviously become more acute.

The great need today, I believe, is the low-cost home within the reach and means of the low income group, with mortgages at

low rates of interest, and an extension of the amortization period from 25 to 30 years.

Hon. Mr. Dunbar: That does not apply to Saskatchewan, when the hon. member said there might be an increase of the people being married. Last year, Saskatchewan was the only province in the Dominion of Canada that decreased 262 births from 1956, so that does not apply.

Mr. Thomas: Well, you know, Mr. Speaker, they are human out there too, and they would like to propagate the species perhaps as well as we would in Ontario.

Hon. Mr. Dunbar: Fishing was good, eh?

Mr. Thomas: Mr. Speaker—

Mr. MacDonald: Saskatchewan, like Victoria riding in Ontario, is reducing its population for the same reason.

Mr. Thomas: I want to refer, Mr. Speaker, for a moment to the remarks of my hon. friend for Riverdale (Mr. Macaulay).

Speaking in the Legislature last Thursday afternoon, he very roundly criticized the CCF government in Saskatchewan and its educational programme in that province.

Now, I want to say, Mr. Speaker, I object to some sections of the speech, and I want to particularly refer to page 149 of that date.

The hon. member for Riverdale said that they are paying the lowest percentage of any province of the Dominion of Canada, 26 per cent. And he said:

Fifthly, proportionately to the number of teachers and the population, there are more teachers in Saskatchewan operating on temporary certificates than in any other province in Canada.

Sixthly, there are some schools in Saskatchewan that have no teachers at all. They have sitters to keep order, that is the great province that was going to take over all the cost of education. They have sitters just to keep order.

And seventhly, in the province of Saskatchewan, the government prints the books, the books are full of naked socialist propaganda . . .

Now I want to turn to the eighth point, and that is that each year in Saskatchewan there are fewer teachers entering into the professional field than the year before, because they are the lowest paid in any province in Canada.

Ninthly, they have supervisors in Saskatchewan who have not even been to normal school.

Now Mr. Speaker, I want to reply to those statements. The hon. member mentioned one time, during the debate when replying to the hon. member for York South (Mr. MacDonald):

Well, the hon. member can say all he wants, I am prepared to have my veracity tested against his any day.

So this is the test, Mr. Speaker.

Mr. Macaulay: These are statistics, who is the hon. member going to quote from?

Mr. Thomas: Just a moment now, the hon. member will have his opportunity, let him be fair.

This, Mr. Speaker, is an extract from the Saskatoon *Star-Phoenix*, and the report was given by Mr. G. D. Eamer, secretary of the Saskatchewan teachers' federation who said:

Mr. Robert Macaulay, PC of Toronto Riverdale, made statements in the Ontario Legislature on Wednesday, in which he achieved a perfect score, he was wrong on every count.

Now, just a moment. Let hon. members just sit there and "take it." We had to take it last week, let them just take it for a change.

Hon. Mr. Mapledoram: We can take it. Let the hon. member not let a little ejaculation worry him.

Mr. Thomas: It does not seem like it, the hon. members are getting quite disturbed.

Mr. Eamer said the statement was erroneous. He noted that the Dominion bureau of statistics was always a few years behind the current year. But the Canadian teachers' federation research division, supplying information for teachers, showed Saskatchewan had a larger percentage of first class teachers than did Ontario.

In the school year 1954 to 1955, a total of 84.6 per cent. of Saskatchewan teachers held first class certificates or better, in contrast to Ontario's 75 per cent. for that category.

Mr. Macaulay had also said some schools in this province didn't have teachers, but "sitters" to keep order. Referring to the question of unqualified teachers, Mr. Eamer said: "We have 4.6 per cent. as study supervisors. We deprecate that situation.

"Like Ontario," he said, "we once held short courses of a few weeks' duration and gave people teaching certificates, we did

that for 10 years. We found it was not solving the problem."

Mr. Eamer said: "The percentage of highly qualified teachers has moved from 22.2 to 38.4 in the past 7 years. Another significant point," he added, "was that the number of study supervisors has gone down markedly with the reduction of 1.2 per cent. this year."

Mr. Eamer said: "It is recognized by people who know [I do not know whether that includes the hon. member] that Saskatchewan has the highest entrance and graduation standards in Canada, for teachers.

"We require senior matriculation for our entrants, but Ontario admits students for the profession with junior matriculation."

Mr. Eamer said the Macaulay claim that the Saskatchewan government was paying the lowest percentage of education cost of any Canadian province, 26 per cent. was incorrect. The average paid was 35 per cent., and some units through the equalization grants received as high as 75 per cent. from the provincial treasury.

Mr. Macaulay: The hon. member's figures are like his clippings, about 20 years out of date.

Mr. Thomas: May I continue:

The Macaulay claim that the provincial government printed its own textbooks was incorrect too, Mr. Eamer said. All school texts were approved by the educational council of the province and most of the books were in use in all the western provinces—

Mr. Macaulay: They are approved but who are they printed by—

Mr. Thomas: —and distributed in all the western provinces.

An hon. member: All right, the person who laughs last on this debate is going to have the last laugh.

Mr. Thomas: I do not know of any text in use in our schools that is printed by the provincial government. Will that satisfy the hon. member?

An hon. member: All right then.

Mr. Thomas: Mr. Eamer stated:

As a teacher, I have never been too impressed with what is in the text or is not in it. The important thing is the use the teacher makes of the material in school books.

Mr. Macaulay: Will my hon. friend permit a question?

Mr. Thomas: No, let him just sit down there. He had his chance last week.

Now, Mr. Speaker, I want to say to my hon. friend to whom I always listen with a great deal of interest, that he should always check his figures regarding their accuracy.

Mr. Macaulay: I make certain they are up to date.

Mr. Thomas: It is to be regretted, Mr. Speaker, that a young man with such masterfulness should find time, and precious time, to waste on gathering and assembling such inaccurate statements and I want to give this advice to the hon. member: "Always strive for truth and not sensationalism."

Mr. Macaulay: If my hon. friend has finished with that subject, will he now permit a question?

Mr. Thomas: Yes, certainly.

Mr. Macaulay: In this article to which my hon. friend has referred, it said that "Macaulay had a perfect score, he was wrong on every count." But I did not hear my friend start at "Firstly," of the things that I said, namely quoting from the Saskatchewan *Hansard* that Mr. Douglas said that they would pay in Saskatchewan the full cost of education.

Now, if I had a perfect score, and if I was wrong on all counts, I must have been wrong on all 10. Then why did the hon. member start in at "Fifthly," and what does he say to my accusation that there is a tax on education in Saskatchewan, and that it was 2 per cent. when the CCF were in the Opposition and they said they would wipe it out because it was an abomination, and that it is now 3 per cent.? What does he say, for instance, about that?

Mr. Thomas: That is quite true, there is a 3 per cent. tax on education.

Mr. Macaulay: That is why he started at "Fifthly," perhaps?

Mr. Thomas: No, no. I am just replying to the hon. member's inaccurate statement.

Mr. Macaulay: Then what happened to my first 5 accusations?

Mr. Thomas: Well, of course, we are living in a changing world, and the hon. member should change his ideas, they change them out there too.

Now, Mr. Speaker, I suppose one can predict with certainty that we are to have an election in Ontario this year, either in June or November. Of course, it will be politically expedient for the government to call an election in 1958, just prior to the introduction of the hospital plan on January 1, 1959. But frankly, Mr. Speaker, I see no justification at all for the government calling an election this year.

Mr. McNeil: Is the hon. member afraid of something?

Mr. Thomas: Not a bit.

An hon. member: Is he going to vote for them?

Mr. Thomas: With the preponderance of hon. government members I do not think the government can provide any valid reasons for an election in 1958.

Now, Mr. Speaker, in one's travels and reading, one reads some very interesting statements, and in the *Ontario News Letter* published by our friend Don O'Hearne, he mentioned this very thing, an election in 1958, and I quote:

Some government members are not too happy about the prospects of going to the country this year with two federal campaigns having been fought in less than 12 months, they feel there will be little hay left in the barn.

Now, Mr. Speaker, their opposition is of course a little different to what mine is to an election, but let me assure the hon. members of the government party that the Conservative barn is a very big one, and there is lots of hay in it too. I am quite sure that the monied interests will provide the Conservative party with their campaign funds this year. I am quite sure that the corporations, who have benefited from a reduction in the corporation taxes over the years, will show their appreciation to the Conservative party, and will reward their benefactor the hon. Prime Minister (Mr. Frost) when an election comes around.

Mr. J. A. Maloney (Renfrew South): Mr. Speaker, in rising to speak in this debate, I would like at the outset to join with all the hon. members who have preceded me in extending to you my very sincere congratulations on the admirable and most dignified manner in which you preside over the deliberations in this House.

It must indeed be obvious to you, as it is to me, that you enjoy the confidence and the esteem of all the hon. members of this

Legislature, no matter what their political allegiance might be. The idea has been mooted in another Parliament in this country, Mr. Speaker, that the position of the Speaker of a legislative body should be a permanent one. If that idea should carry into the provincial Legislature, Mr. Speaker — and I say frankly the idea intrigues me greatly—I say further, that I know of no person more worthy, more deserving and better fitted for the task, than the present incumbent, yourself, the hon. Speaker of this Legislature.

I would also, Mr. Speaker, with your permission, like to extend my very sincere congratulations to the hon. member for Cochrane South (Mr. Spooner) upon his elevation to the Ministry. No matter what the conniving mind of the hon. member for York South (Mr. MacDonald) might attribute his success to—whether it be collusion, connivance or otherwise—may I say Mr. Speaker, that the hon. Minister of Mines, coming as he does from that section of this great province, where the mining industry plays such an important part in the welfare of the community, in the prosperity of the province and the nation, we, the hon. members in this Legislature, have every reason to believe that this department will be efficiently administered by the present hon. Minister of Mines.

While the hon. member for York South attributed his success to some collusion that might have existed, may I say that it probably exists only in the mind of the hon. member himself, because I am told that there was only one “Grummett,” and that the only reason that he was previously elected to this place was not because of his CCF tendencies, but because of the fact that he was regarded as a very high-class type of citizen. Much of the success, I might add, of the hon. member who represents the city of Oshawa (Mr. Thomas) in this constituency, is likewise not due to the fact that he is a CCF member, but because we like him.

So if there is collusion in the mind of the hon. member for York South, might I say to him that it is something which as usual exists only in the mind of one who does not permit himself to think clearly.

Might I also, Mr. Speaker, extend my very sincere congratulations to the hon. member for Ontario, the hon. Minister of Reform Institutions (Mr. Dymond) upon his elevation to the Ministry of that department. His predecessor in office, the hon. member for Durham, John Foote, V.C., is a man for whom I, as well as all hon. members I am sure, with the possible exception of one, have a very sincere and distinct admiration.

There were those of us who were so bitterly opposed to the unwarranted attack that was directed to that hon. Minister last year in this House, who were very pleased to see him coming back here to resume his seat as an hon. private member in this session. But I am advised that unfortunately his condition of health is again such that he is not permitted to attend the sittings of this Legislature.

But I say to him that he can rest assured that the work so capably and ably carried on by him, while he was the Minister, will be just as efficiently carried on by the new hon. Minister, who is so capably trained, who has had much experience, and whose views on reform and prisoner rehabilitation are such that they are bound to have a very beneficial effect on the department which he administers.

I should also like, Mr. Speaker, to extend my very sincere congratulations to my very good friend, the hon. member for the constituency of Peel (Mr. Kennedy). When we stop to consider that this remarkable man has been in the public life of this country for over half a century in the municipal and provincial field, is there any wonder, Mr. Speaker, that he enjoys such a high degree of esteem among all sections of this country because of the tremendous service that he has rendered to his county and to this province?

I am sure all of the hon. members were as shocked as I was, when the hon. member for York South, in his own peculiar way, after first extending his sincere congratulations to the hon. member for Peel, then in the absence of that hon. member, he drew the stiletto and attempted to stab him in the back, questioning his motives and his sincerity.

Mr. MacDonald: He has not denied it.

Mr. Maloney: Well, I will deny it for him.

Mr. MacDonald: But he agrees he said it.

Mr. Maloney: And this accusation made by the hon. member for York South—I at first could not believe my ears—but then I investigated it myself, I made it my business to track it down.

His information, Mr. Speaker, I suggest in all sincerity, probably came from one who enjoys, with the same degree of pleasure, in wallowing in the swill and the mire as does my hon. friend from York South.

Mr. MacDonald: But the hon. member for Peel does not deny it. What is the hon. member for Renfrew South so upset about?

Mr. Maloney: Well, I will say to my hon. friend from York South if, after the conclusion of 50 years in the public life of this country, he can point back to his political career with the same degree of satisfaction and composure as can the hon. member for Peel, then I say he will not have lived in vain, but until he can do that he has certainly made no contribution to the public life of this province, Mr. Speaker.

A further matter that I would like to mention, in connection with this, Mr. Speaker, is this:

Last session the hon. member for York South did not see fit to occupy his seat while I was given the very distinct pleasure of addressing this House during the Throne debate. At that time, I predicted his immediate political demise and I had arranged for him the benefits of a very effective funeral service, to be provided by the Fullerton friendly layaway plan. Might I say to you, Mr. Speaker, that his performance in this House in this session, up to this time, has convinced me that not only was my prediction right then, but if the hon. member for Oshawa (Mr. Thomas), is correct, if we are to have an election this June or this November, we might as well say good-bye to the man who occupies the front seat of the CCF party now.

Mr. MacDonald: The hon. member knows where the Opposition is.

Mr. Maloney: Well, if the hon. member calls that Opposition, I would not like to give it the proper term that it should receive.

Mr. MacDonald: The hon. member is wasting a lot of time, wasting a lot of breath.

Mr. Maloney: Mr. Speaker, I listened with great attention to the address delivered by the hon. leader of the Opposition (Mr. Oliver), a man to whom I always listen with great interest, and one for whom I have a very high esteem and a great degree of respect. I was a student at Osgoode Hall in 1926, when I had the great pleasure of coming over to this legislative assembly, and at that time I saw the "boy marvel" from Grey South who had just been elected at the age of 21 years.

Since that time he has continuously and consistently represented that constituency as an hon. private member, later as a Minister of the Crown, and upon the unexplained disappearance of Walter Thompson he suc-

ceeded as the leader of the Opposition in this Legislature.

I say to you, Mr. Speaker, and to the hon. members of this House, that the hon. leader of the Opposition is a man who has rendered a tremendous service to this province. The views that he expresses from time to time are not necessarily the views shared by myself, but nevertheless he expresses them in such a way that I, as a citizen of this province, can truly feel proud that we have as the hon. leader of the Opposition a man of his calibre.

And I say to him now that there is a slogan going around being used by the federal counterpart of the Opposition here: "Let's give the toe to the Tories."

I say, to the hon. leader of the Opposition, that the Liberal party is getting quite expert at giving the toe to its leaders, as is evidenced by the unruly manner in which they dispensed with the services of that great Canadian who had been held up to us as the greatest statesman of all time, up until June 10, then after Presqu'île suddenly he no longer serves any useful purpose.

I say to the hon. leader of the Opposition in this House, let him not let anybody kick him around, do not let anybody kick him out. I suggest to him that he stand on his hind feet, and I am quite sure that I can say to the hon. leader of the Opposition that he can, if he so desires, win once again the leadership of a once great Liberal party in this province of Ontario.

Mr. MacDonald: How many leaders did the party of the hon. member fire this last week?

Hon. Mr. Dunbar: The hon. members are not making any friends of a couple of fellows, both of them there.

Mr. Maloney: There is only one thing, Mr. Speaker, and something that I always marvel at, and that is the facility with which the hon. member for York South can jump in and out of one bed at the same time and then get back into the other. It really is a marvel, and I am sure it is something that causes consternation in the minds of a small section of people who might be interested in his future.

Mr. MacDonald: The Tory party has—

Mr. Maloney: Well, we have heard that for many years, but it seems rather significant to me, Mr. Speaker, as I am sure it must to you, that in this Legislature we have a leader who is the hon. Prime Minister of Ontario, and despite all of the bitterness and venom and

onslaughts that have been directed towards him by the hon. member for York South, he still rules the roost.

Nobody pays any attention to the hon. member for York South, as was evidenced in Elgin when the CCF candidate got the lowest vote that a candidate of his party ever received in that constituency.

The hon. member should come down to Renfrew South and we will look after him.

Mr. MacDonald: Let the hon. member for Renfrew South come down to York South and will look after him.

Mr. Maloney: Whenever that election is called, let the hon. member, the great leader of this party, come down to Renfrew South, and I can assure him now that the expression which he so frequently likes to apply, "an ostrich with his head in the sand," will certainly apply to him when the votes are counted down there.

There was one part of the speech of the hon. leader of the Opposition, Mr. Speaker, with which I wish to disagree most emphatically. It was announced during the late summer of 1957, after the people of the Dominion of Canada had decided that they wanted to do away with arrogance, complacency and incompetence, that we would dispatch a trade mission to the United Kingdom.

At the same time it was announced by the federal hon. Minister of Trade and Commerce (Mr. Churchill) that the vice-chairman of that commission would be the chairman of the Ontario Hydro Electric Power Commission. It is a significant thing that, until that great mission returned from the United Kingdom, no opposition to his being appointed or to his going was expressed by either the hon. leader of the Opposition or the hon. member for York South. In fact, the hon. member for York South accepted some of the hospitality of the chairman of the Hydro Electric Power Commission, even after he knew that he was going on that great mission, when he along with myself and many other hon. members went down on the St. Lawrence seaway tour.

I did not hear the hon. member for York South saying to Mr. Duncan, with whom he talked personally I am sure: "Look, you are the chairman of this Hydro commission, you should not go over on this trade mission, you are a civil servant." No, he "hobnobbed" with Mr. Duncan on that occasion, and at no time did he object to his going.

Mr. MacDonald: I did not get a chance to hobnob with him, because the hon. member was lobbying for the Maloney pact or formula at that time.

Mr. Maloney: Of course, the other hon. members in this assembly would not realize it, but I had no cause to lobby at that time, what I sought had already been granted, so the need for lobbying was over.

But the hon. member for York South did fraternize with the chairman, I saw him myself as did other hon. members. He made no objection to his going to the United Kingdom at that time. Why does he do so now? Chiefly for political, and only for political, purposes.

Mr. MacDonald: I did not object to his red tie, either.

Mr. Maloney: Mr. Speaker, I have had occasion to complain very bitterly about Mr. Duncan as the chairman of the Hydro Electric Power Commission, as the hon. vice-chairman of the Hydro Commission (Mr. Connell) knows. I was seeking something for the people of this province, for the little people, an expression used by the hon. member for Waterloo North (Mr. Wintermeyer), who were without electric lights.

But it was a surprising thing to me, Mr. Speaker, to know that the chairman of the Hydro Commission had such an insight as he showed by his grasp of this problem.

And on the occasion of that interview he told me, "Mr. Maloney, within two months I feel that the problem that you have will be solved for your people and for all of the people of Ontario."

As a result, Mr. Speaker, of the relaxation in the density requirements by the Hydro Electric Power Commission of Ontario, I am in a position to say to this House now that every farmer in my riding, without exception, will receive the benefits of hydro electric energy in his home. The former contracts had to have guarantee units signed because of the density requirements at that time. These guarantee units have now been wiped out, and people who formerly thought they must have additional money to pay for hydro service are now having the burden of these guarantee units taken away.

I would like to congratulate the commission for the very fine men they have in my county as area managers of Hydro. The man at Cobden, Mr. Gordon Gibson, is an outstanding public servant of the Ontario Hydro Electric Power Commission, and there are more people in our county who go to bed at nights

singing his praises than happens with any other man in the county, because of the consolation he brings to them with the electric lights that are brought to them as the hydro lines are extended to the various centres of our county.

The same applies to the Arnprior area, where we have Mr. Howatt as area manager.

Hon. members will remember that my agitation in this House, last session, was on behalf of the great township of Bagot and Blythfield, and I am happy to be able to announce, as a result of a letter received from the area manager advising me that, as a result of the relaxation of the density requirements, some 33 miles of line will be built to serve 72 customers, approximately 70 per cent. of whom are farmers.

That means something, Mr. Speaker, for which we in Renfrew South have been fighting for some time, and finally our efforts are successful. As a result of the study given to this problem by members of the commission, and by the approval that was given by the hon. members of the government, something that was only a dream has become a reality. The people who formerly were without lights now have all the facilities provided, by electrical energy being extended to them.

I am sorry that the hon. Minister of Highways (Mr. Allan) is not in his seat, because I would like to say that in our county—now that our hydro problem has been solved—the burning question is the necessity for new roads. The development road programme is one which, I say to the hon. members of this government and to the hon. Prime Minister in the absence of the hon. Minister of Highways, must be extended in counties such as ours. Municipalities with low assessments, with a very considerable amount of traffic going over their roads, are not in a position to build, and at the same time, maintain, roads to stand up to present-day traffic conditions.

The people in the back concessions are the backbone of this province and of this country. They are deserving of good roads, they are deserving of considerable assistance in the way of development road grants, so that these roads can be built for them through the municipalities, and then be maintained by the municipalities themselves.

Oh, the hon. Minister has been very kind, we have no reason to complain up to the present time, but the need is still great, not only for highways but for development roads in our county.

I shudder to think of the consequences if it should ever be in the mind of the hon.

Minister, or in the minds of the members of engineering staff, or any committee that might be appointed for that purpose, to cut down on the development road expansion programme for rural Ontario. If they do such a thing these people are going to be deprived of the facilities of life which their brothers and sisters enjoy in more populated centres of Ontario.

We need roads, we want roads, and with respect I say we must have all of the assistance that this government can give to rural municipalities and counties, so that our people can get to and from market and enjoy the facilities of life as people do in any other place.

I am glad to see that the hon. Minister of Highways is back in his seat, and I have no doubt my request that has just been made will be communicated to him and, in his usual very efficient manner, the needs of Renfrew South will get top priority with the hon. Minister, and our people will continue to live in peace and prosperity under his great guidance as the hon. Minister of Highways.

I would just like to point out to the hon. Minister of Highways that there has been the need for a bridge over the Madawaska River at Combermere for some considerable time, I hope that it is on the programme for 1958. If it is not, it should be.

I trust that the road from Combermere North to Barry's Bay, which was on the programme a year or two ago and was taken off, will be put back on the list and given top priority. I trust that the road from highway No. 17 to Burnstown will be hard-topped with all possible dispatch when the frost comes out of the ground.

May I refer to the statements made by the hon. Prime Minister when he was in Renfrew South—these are remarks made by the hon. Prime Minister, and I hope he does not find any fault with me calling them to his attention and indirectly to that of the hon. Minister of Highways.

We have highway No. 132 in Renfrew county; the contract for hard-topping the first 7 miles of that road has been let, and there is no reason in the world why the rest of that road cannot be hard-topped this year.

It may be that the engineering staff of The Department of Highways feel that they are overworked, but I can only say to the hon. Minister that if they are, we have been waiting for a long, long time. It is high time that these men have their pre-engineering report ready for all of that highway, that the soil tests, and whatever other tests are re-

quired, be made so that this highway will become a fact.

I am sure that it is not necessary for me to say more on that subject, and that the hon. Minister of Highways will see to it that this very necessary project is brought to a conclusion just as speedily as it possibly can—

Mr. MacDonald: Or else, or else.

Mr. Maloney: No, no. We do not go about problems in that manner, we make our requests known as forcibly as we can. Then we usually and almost invariably get very well treated, but if we do not get all we ask for, we are not like a little boy who loses his marbles then wants them back again, like the hon. leader of the CCF party in this House.

We know that we are not the only county in Ontario, but we do expect good treatment, which we were very long in getting, because of the fact that this country had been represented, prior to the days of "Jim" Dempsey, by a Liberal for 16 years, and Renfrew South got the reputation of being the forgotten county in the whole province of Ontario during that leadership of the Liberal party when they were in office.

Mr. MacDonald: What did the Conservative party try to do to Jim Dempsey during the last election?

Mr. Maloney: Well, the hon. member was not too anxious to help Jim Dempsey. I did not hear his voice shouting out to the housetops, as mine did, for him, and I do not think there is any better Conservative in Ontario than myself. If the hon. member has any doubts about it, there are 4 Conservatives sitting up in the gallery from the great township of McNab, all of whom stood four-square by Dempsey, so let the hon. member not talk about Mr. Dempsey.

All he was hoping was that Mr. Dempsey would be disgraced, if it was possible to disgrace him, and I can visualize the hon. member licking his lips and gloating at him if it could have been accomplished. The hon. member for York South is not fooling anybody but himself.

I should also like, Mr. Speaker, to pay a very sincere tribute to an hon. Minister with whom I have had considerable experience in The Department of Lands and Forests over the years, in my capacity as a lawyer—looking for patents, for lots and free grants, purchases from the Crown, and so forth.

I would like to pay tribute to the hon. Minister of Lands and Forests (Mr. Mapledoram) for the very efficient manner in

which he has taken the problem of unemployment into his teeth in our county.

In Renfrew county we are fortunate enough to have been endowed by the Almighty with one of the greatest provincial parks in the whole wide world—Algonquin Park. There has not been a survey around that park for a long time and the survey lines have been practically wiped out. As a result of the representations made to the hon. Minister, by the former hon. member for Renfrew North (Mr. Hunt) who I understand has tendered his resignation—or if not he is about to do so—and who will be the next federal member for Renfrew North at Ottawa—as a result of the representation made by him, the hon. Minister of Lands and Forests saw fit to provide the crew, the work and the money so that the 240 miles of park line could be cut out, providing employment for a very considerable number who are out of work in our area. To him I say a very sincere "thank you" for relieving an acute problem.

As hon. members know, I represent a rural constituency, and as they all know, I am a lawyer. I try to be a good one, not too high-priced—so I should appeal to my friend from York South on that score—but it always amuses me when I hear the hon. member for York South trying to woo the farmer.

He gives the impression that he is so solicitous for their welfare, but he hopes that every marketing plan and every marketing scheme will fall down and be of no avail to the farmer, that is what he is hoping for, and that is why it amuses me, Mr. Speaker, to hear him being so solicitous for this great basic industry.

Surely he must realize by now that the farmers of this province will not "go for him" any more than will the labour people of the province. He has wooed them and wooed them and wooed them, but invariably he has to take the position of the spurned lover. They turn him aside and seek elsewhere, where their true love is, and that is with this government.

Mr. Speaker, I listened to the hon. leader of the Opposition when he was speaking at the national Liberal convention in Ottawa, and I remember well and admired his courage for rising at that convention and criticizing and finding fault with the federal Liberal party for the manner in which they were dealing with the Canadian farmer. He warned them that they had lost the support of the Canadian farmer because of their failure to deal adequately with their problems.

The same thing applies to the CCF party. What can they do for the farmers of this province except socialize the industry—and the greatest capitalist we have in Ontario is the man who owns his 100 or 50 acres of land.

Surely, unless we are to swallow the Regina manifesto and then water down the Winnipeg programme, surely socialism is socialism wherever we find it, and if any leader of any socialist party thinks that, even if he gets down on his knees and has a ring to put around the finger, he is going to convince the farmer that he can do anything for him, he is mistaken. I can hear him whispering to them now, and they reply: "Oh no, we know where our butter is, we who go back to Old Man Ontario."

That has been the result and will continue to be the result.

Mr. Speaker, I was very much impressed with the bill introduced by the hon. Minister of Education (Mr. Dunlop) providing that funds could be borrowed by boys and girls who want to go on to higher fields of learning.

Too many of our young boys and girls, up until this bill was introduced, have had to consider themselves as hewers of wood and drawers of water, because of the fact that their parents, through no fault of their own, and because of their limited resources, were unable to provide the funds with which to send them on to university, and on to one of the professions where many of them wanted to go.

Mr. MacDonald: It might work, even if a little late.

Mr. Maloney: When we stop to think of it, this hon. member is the product of our educational system, and of one of our universities. We really wonder how he ever got through, really. We really wonder at it, but nevertheless it shows how strong the system is when they could even graduate him.

Now, Mr. Speaker, we are being provided, no matter how late, with the funds whereby our children, whose parents are unable to finance them, can get the education they desire.

I say, to the hon. Minister of Education, if for no other reason than that, he will go down in the history of this province as one of the most capable hon. Ministers ever administering that department.

Many of our people shuddered at the thought of the huge advances made by the Russian people, by the tremendous number

of their children who were being educated as compared to ours. But when we see men like the hon. members, the hon. Ministers of this government, and the hon. Minister of Education, getting down to wrestle with this problem and tackle it and solve it, I say to you, Mr. Speaker, that as long as we live in a province having at its head a government that will look into the interests and welfare of all of its people, we need have no fear. We in Ontario will be able to take our place with any other province, or any other nation, in the world.

I do not care what they say about Saskatchewan. They are good people who live in Saskatchewan, misguided, if you will, but good people. Many of them are leaving. This is natural, because of the fact that they have the same birth rate in Saskatchewan as in other parts of Canada. But once they are born out there they realize they have to get out to better themselves, and that is why their population is being reduced. But those who stay are good, good people.

The Rt. hon. Prime Minister of this country (Mr. Diefenbaker) comes from Saskatchewan. Of course, he went from Ontario, but we loaned him to Saskatchewan and as a result, if the thinking in Saskatchewan is not changed very radically, both federally and provincially, in a very short period of time, then I am not the judge of the pulse of the people that I think I am.

Well, I have heard my hon. friend from York South make great predictions, and it occurs to me when the CCF party lost the services of a man by the name of Jolliffe, they have no hope of ever getting above the mark that he succeeded in making, and under the leadership of the present hon. leader—well, I think York South will look after that, so we need not waste any more time talking about it.

I say, Mr. Speaker, that we should stop to think of the situation that exists in Canada today. We are going to the polls on March 31 to choose a government, a stable government, a majority government to preside over the destinies of this nation. Much has been said up to now, by the Liberal party, of the calibre of leadership that they now have.

I made reference at the outset to the callous and cold-blooded manner in which they rid themselves of the man they felt would no longer be of use to them, a man for whom I have always had great respect, a man who was undoubtedly and will always continue to be, in my opinion, one of the greatest Canadians who ever lived, in the person of Rt. hon. Mr. St. Laurent.

They chose as his successor, the hon. Lester Bowles Pearson. Hon. Lester Bowles Pearson was chosen at that convention in Ottawa, and hon. members recall in his acceptance speech, he came out of his corner shrieking defiance, his fangs were bared for the battle. The whole nation waited agog for his debut in the House of Commons as the leader of the Opposition.

Hon. members remember what happened. It is not necessary to recall it. He got up and directed that motion of non-confidence in the government and said: "Oh, Mr. Prime Minister, we recommend to you that you recommend to his Excellency the Governor-General that you resign, and that you recommend further to him that you hand over the reins of government to us—but for heaven's sake, Mr. Prime Minister, do not let us have an election." That was the effect of his motion.

At least the hon. leader of the Opposition in this House had more courage than that. He is not afraid to face the people, although he knows that the outcome is doomed to failure for his party again.

But here was a leader of a party that had been rejected by the people in June, refused admission through the front door by the people, a leader who was a member of a party which tried to override and sidestep Parliament, now attempting to get back into office by by-passing the people themselves.

That is the type of leadership with which we have to contend in this election federally.

What will the answer be? Mr. Speaker, I say to the hon. members of this House that, in view of the terrific efforts made by the Rt. hon. Prime Minister of Canada in the short 8 months he has been in office—call him "Uncle John," call him John the Baptist, call him what you will—I venture to say that on March 31, the outcome in this country is going to be so decisive and so certain that we can begin to tackle the problem that lies ahead.

This party, led by hon. Lester B. Pearson, —Bowles Pearson as he calls himself—a man, oh yes, he is a great world statesman, but when he gets down into the hurly-burly of domestic politics, he is eating a little rougher piece of bread and butter than he was enjoying over in the United Nations, so here is the story.

These hon. Liberal members say to us here in this House: "Oh, you have no business talking about trade, you have no business having Mr. Duncan go over to the United Kingdom on a trade mission, we should not divert any of our trade from the United States, a country with whom we have had an ad-

verse trade balance of \$1.25 billion during the last fiscal year."

Let us listen to what the great friend of the hon. member for Bruce (Mr. Whicher) has to say, that great hunter who comes up from the United States, John Foster Dulles. Here is what he said yesterday:

United States Secretary Dulles suggested today that Canadian-United States defence co-operation would be hampered if the United States took any step to throw trade between the two countries, Canada and the United States, further out of balance.

Mr. Dulles, appearing before the House of Representatives ways and means committee, to defend Eisenhower's trade programme, cited Canada as one reason why Congress should approve the president's request for a 5-year extension of The Trade Agreements Act, noting that Canada bought \$3.9 billion worth of United States goods in 1957, in return for sales of only \$2.9 billion.

Canada has expressed its concern at the size of this adverse trade balance. If the Canadian government and people were to assume that it is our purpose to make that trade balance still more adverse, there would inescapably be adverse repercussions on our joint North America defences.

The Liberal party in Ottawa, which put all their trading eggs in one basket for years, have gone with their hats in their hands, begging from the United States, to whom they have tied us as an economic vassal. They found fault with us because we have advocated the diversion of trade; found fault with us because we say trade should be diverted to the market we once enjoyed; where we could sell our wheat, where we could sell our cheese, where we could sell our apples, where we could sell all our other agricultural products in the markets of the United Kingdom.

This man Dulles does not find fault with Rt. hon. Mr. Diefenbaker for talking up to him, but he gave a warning to the American government.

We do not have to be afraid of these fellows to the south, because in the United States of America, great and powerful though that country is, they cannot get along without Canada, either from the point of view of defence, economically, or any other way. We are one of their greatest trading customers, and that we will continue to be.

But at the same time, from the point of view of saving the bacon for our own Cana-

dian producers and farmers, it is high time that we saw to it that at least some of the eggs are laid in a different basket and are not directed down across the line to the United States.

In conclusion Mr. Speaker, may I say that it has been a great pleasure for me to have had this opportunity of addressing these few remarks to this House this afternoon. I am proud to be a member of this Legislature, particularly am I proud to be a member of a government that is looking out for the welfare of all of the people, as has been evidenced by the results achieved in the several by-elections that have been held throughout this province.

I say to the hon. members of this government, never let it be said of us that we are arrogant or complacent. I say to the hon. Ministers of the cabinet, let them always listen to the elected representatives of the people, and give us the chance to do the things for our people that need to be done.

Let them not brush us aside, because that is what they did in Ottawa after 22 years. We never hear that being said about Ontario, never do we hear that this is an arrogant government, never do we hear that "the brass is getting away from the grass" in Ontario.

There is no back-bencher in the Conservative party, and may I say to the hon. member for York South that, although he occupies a front seat, he is by no means entitled to the

rank of a front-bencher, I can assure him. But there is no back-bencher in our party. We are—

Mr. MacDonald: I am cut to the core.

Mr. Maloney: Oh, he cannot be cut to the core, it goes off him like water off a duck's back, but nevertheless we like to hand it out as long as he can take it.

We belong to a party, Mr. Speaker, that is a party of the people, a party of the poor and a party of the rich, the party of the big and the party of the little, the party of the rich man and the party of the employer, and the party of the man who works for him.

Ours is the party of the Catholic, of the Protestant, and of the Jew. We are the party of all of the people of Ontario, and that party we will continue to be, under the capable guidance of our present hon. Prime Minister and the very efficient and capable hon. members who form his government.

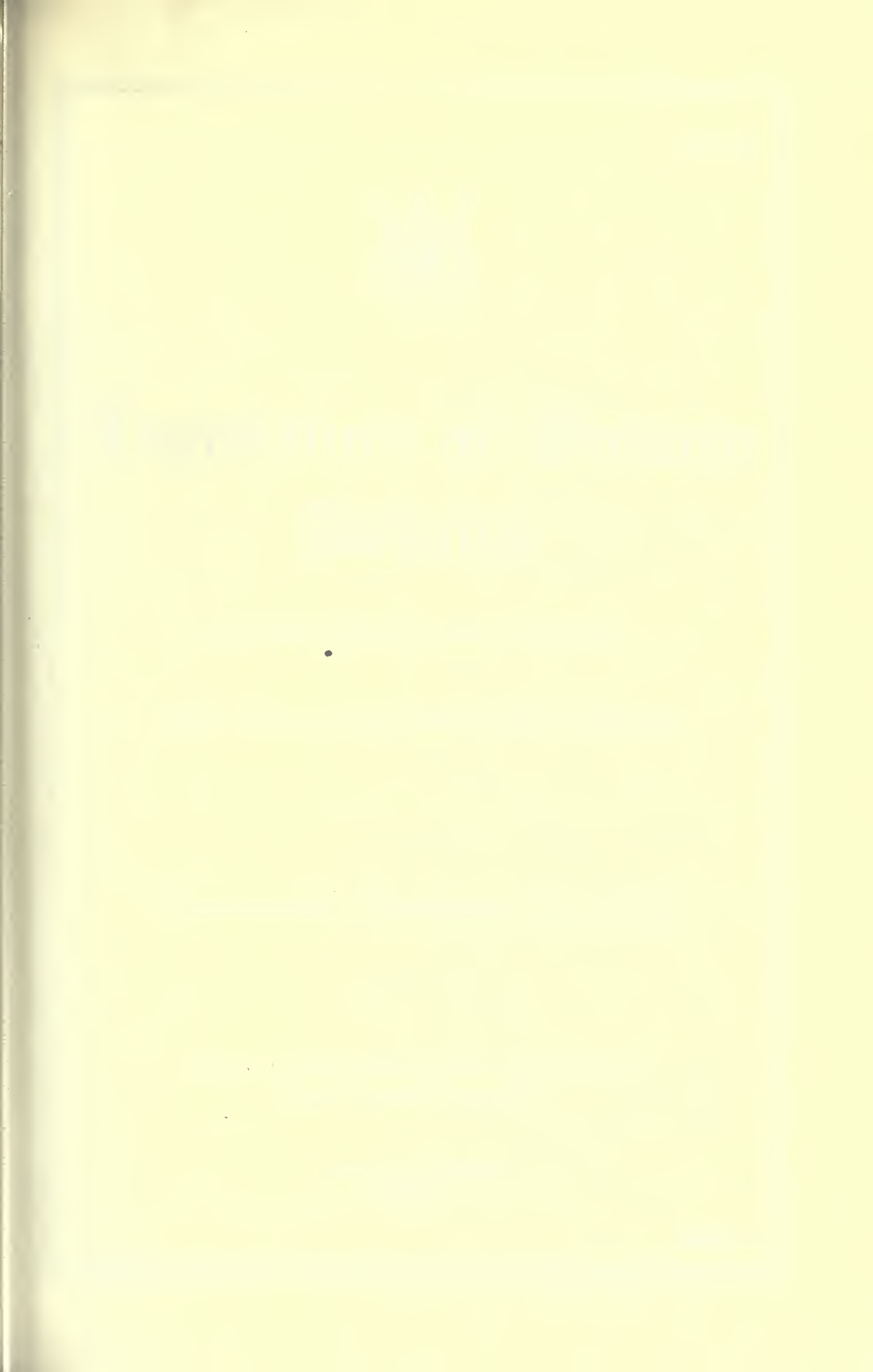
Mr. R. E. Sutton (York-Scarborough): Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I move the adjournment of the House.

Motion agreed to.

The House adjourned at 5.50 of the clock, p.m.







ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Wednesday, February 26, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, FEBRUARY 26, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Clerk of the House: Mr. H. F. Fishleigh, from the standing committee on education, presents the committee's second report and moves its adoption.

Your committee begs to report the following bills without amendment:

Bill No. 46, An Act to amend The Schools Administration Act, 1954.

Bill No. 73, An Act to amend The Teachers' Superannuation Act.

Bill No. 81, An Act to amend The Public Schools Act.

Bill No. 82, An Act to amend The Separate Schools Act.

The committee also begs to report the following bill without amendment:

Bill No. 80, An Act to amend The Secondary Schools and Boards of Education Act, 1954.

Motion agreed to.

Mr. Speaker: Introduction of bills.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

The report of the hon. Minister of Lands and Forests (Mr. Mapledoram) of the province of Ontario for the fiscal year ended March 31, 1957.

Mr. Speaker: Orders of the day.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I have here two messages from the Honourable the Lieutenant-Governor (Mr. Mackay), signed by his own hand.

Mr. Speaker: The Honourable the Lieutenant-Governor transmits estimates of cer-

tain sums required for the services of the province for the year ending March 31, 1959, and recommends them to the legislative assembly, Toronto, on February 26, 1958.

The Honourable the Lieutenant-Governor transmits supplementary estimates of certain additional sums required for the services of the province for the year ending March 31, 1958, and recommends them to the legislative assembly, Toronto, on February 26, 1958.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair, and the House resolve itself to the committee of supply.

Motion agreed to.

BUDGET ADDRESS

Hon. L. M. Frost (Provincial Treasurer): Mr. Speaker, after a lapse of 3 years it is again my pleasure to make that traditional motion that you do now leave the chair. As was its predecessors, this budget is a reflection of the times in which we live. It is designed to meet the conditions and problems with which we are faced. This, Mr. Speaker, is my 14th budget. Perhaps I may have, in view of that long series of budgets, the opportunity of saying that I think I served as Treasurer for the longest period of time in Ontario's history. Indeed, there are many people who said I served much too long. During that period, I introduced 13 budgets on the occasion of 13 different sessions of this House.

Now, I am about to make another record and that record is this, that having served longer than any other Treasurer and delivered the most budgets, I now propose to serve the shortest term. I can assure you, Mr. Speaker, that my term of office on this second occasion will certainly be shorter than that of any of my predecessors, so that, on the presentation of this 14th budget, there will be another record.

I should like to express my thanks to my illustrious predecessor, hon. Dana Porter, for the work he did on two previous budgets, and for the very great amount of work he put into this particular budget. As a matter of fact, I am largely delivering Mr. Porter's

work, and the work of those who assisted him, because I assumed office, on this second occasion, I think, only on the fourth day of this month.

I am grateful also, as always, to the staff of the Treasury. They are second to none in Canada. I am quite satisfied to say this, because of the tremendous thought and care they have given to the finances of our province.

My experience with budgets goes back nearly 15 years, and indeed before that, because for some years I occupied the position of financial critic of the Conservative party in Ontario, along with my great friend Leopold Macaulay, who is unable to be here today. I asked him to be here but he is represented by his son the hon. member for Riverdale. In those days we occupied, alternately, the position of financial critic. That was quite a few years ago.

I should like to thank the civil servants who were with the department in those days, including my old friend Dr. Chester Walters and others who are here today.

I may say, in delivering this budget, that it is a very great pleasure to know that among those who will listen to it, are some connected with the budgets of many years ago. One who is here—my old friend George Walsh, Q.C.—is known to the hon. members of this House. He has been present on the occasion of all my previous budgets.

By way of introduction, may I say that the first budget which I introduced in this House 14 years ago on March 16, 1944, provided for an overall expenditure on capital and ordinary account of the sum of \$115 million.

Today, 14 years later, the combined capital and ordinary spending forecast for the coming year will be no less than \$817 million, so great has been the progress and the changes that have taken place in this fabulous province of Ontario.

In introducing so immense a budget, it of course would be idle to attempt to do what was done in past years, that is to read the budget. I must say this, in latter years I found that somewhat difficult.

The late Mr. Mitchell Hepburn used to find that very irksome. He used to tell me that he despaired when he had to read the budget of those days, and I want to rescue you, Mr. Speaker, and the hon. members of this House from despair by saying that I do not propose to read this great document. Rather, I propose to outline an index to its contents.

The hon. Ministers, of course, will elaborate upon the various points in the budget that concern their departments.

This afternoon, in introducing this document, I want to introduce an innovation to this extent: when the budget presentation is completed, and the adjournment of the debate is moved, I intend to ask the House to resolve itself into committee of supply in order that the hon. Minister of Education (Mr. Dunlop) may table certain particulars in relation to grants on education which are necessary to complete the budget picture.

Now, Mr. Speaker, on this occasion I am departing from the prepared budget, in order to present, from the standpoint of an index, the outlines of this document and what is involved. Therefore, I do not propose to follow the strict text, but I shall refer the hon. members to pages of the budget itself.

I can promise my friend, the hon. member for Brant (Mr. Nixon), that I have no intention of making a political speech. It is my intention to try to present, in as compressed a way as I can, an explanation of the problems we have to meet and the manner in which we contemplate meeting them.

In doing that, I want first of all to refer to the supplementary estimates, then I want to refer to the forecast for this current year—9 months certain and 3 months estimated—and, thirdly, I want to refer to the forecast for the coming fiscal year.

I quite realize that this method of presentation is out of the ordinary, but I think it will give the hon. members a better picture of our fiscal problems.

First of all, may I say that the special grants total some \$19,882,000. That is made up of these items:

Firstly, there is another grant of \$1 million to the University of Toronto for the new dental building; there is a grant to McMaster University of \$1 million for an engineering building. The purpose of the grant to McMaster University for engineering purposes, and the engineering building, is because of the requirements of that particular subject.

There is a grant of \$100,000 to the Royal Ontario Museum for the extension of the arts—that is similar to last year; \$92,000 to the Royal Botanical Gardens to retire its capital indebtedness; a new grant of \$100,000 to the Law Society of Upper Canada for capital purposes.

Now, as hon. members know, the long-standing differences between Osgoode Hall and the universities have been settled, and it is now regarded—and should be regarded—as

part of our system of education, and accordingly that grant is being made for that purpose.

The teachers' superannuation fund is to receive a bolstering of another \$1 million. I shall come back to the subject of education at a later point.

For health purposes, we are making these grants: a special grant of \$200 a bed to all public general hospitals in the province—so they can be ready for hospital insurance—and a grant of an additional \$2 million to be made to the hospitals that are undertaking nurses' training.

Now, translated into action, it means this:

The Royal Victoria Hospital of Barrie, for nurses' training, will receive the sum of \$25,200; and for capital purposes, to refurbish the place and so on, \$26,800.

Now I would say, going to the other end of the province, for nursing purposes, the Kingston Hotel Dieu Hospital will receive \$45,000 and the Kingston General, \$60,300. For the betterment of their plant, the first named, the Hotel Dieu Hospital, will receive \$58,200 and the Kingston General Hospital \$94,200.

The hon. leader of the Opposition (Mr. Oliver) sometimes says that we forget people from his side of the House, and may I say this, that for the great city of Kitchener, which I think is in the riding of Waterloo North, for nursing purposes the Kitchener-Waterloo Hospital will receive \$23,700 and St. Mary's Hospital \$22,800. For capital purposes, the Freeport Sanitarium will receive \$5,600; the Kitchener-Waterloo Hospital \$87,800, and St. Mary's Hospital \$24,400.

I would say, Mr. Speaker, that the hon. members of the House will have a copy of this budget statement in a short time. I refer them to the appendix, pages A39 to A44 inclusive, for the particulars of those grants.

In turning now to the statement for 1957-1958—that is, 9 months actual and 3 months estimated—that will be found on pages 6 and 7 of the budget statement, which hon. members have. Reduced to its most understandable terms, the net ordinary revenue receipts—full particulars of which are given in the statement—amount to \$582,100,000, and the net ordinary expenditures to \$581,600,000 for a surplus of \$547,000.

Mr. Speaker, I notice that my hon. friends smiled when that surplus was mentioned. May I point out to them that that surplus of course could be \$1, and actually that is the effect of it, because included in the expenditures of \$581,600,000—and I want my hon. friend from Waterloo North (Mr. Winter-

meyer) to underline this—is no less than \$116 million paid from current account to capital account.

The total of this year's expenditures, capital and ordinary combined, will amount to \$758,300,000.

In turning to next year, that is the fiscal year commencing on April 1 next—found on pages 34 and 35 of the budget statement and A12 and A13 of the budget appendix—hon. members will see that the net ordinary revenues are estimated at \$599,200,000, and expenditures \$598,900,000, giving an estimated surplus of \$280,000.

The combined capital and ordinary expenditure rises from \$758 million for the present year to a total of \$817,600,000 in the year to come. In these two years of 1957-1958, the year we are in, and 1958-1959, next year, we shall have paid in cash on capital works no less than \$177 million. I shall refer to that later on in another connection.

In order that the hon. members of this House may, I hope, enjoy this budget presentation, may I say that we contemplate no new taxes next year.

That brings me to this point: having given a very sketchy reference to the position of the province, its expenditures in this year 1957-1958 and what is forecast for 1958-1959. I want now to turn to certain questions that I know hon. members will ask me, and also to refer to questions that have been asked of me.

May I say that this year there will accompany the budget a statement of highlights which makes it easy for the hon. members to refer to particular items, and to find in the text the references to those items.

In my opening remarks, I referred to Mr. Leopold Macaulay, with whom I sat in this House for a number of years. One of Mr. Macaulay's favourite references was that "this is the meat of the coconut." I do not know whether his son ever heard him say that or not, but he used to say that to me as a younger man.

I want to give to the hon. members, in an understandable way what I think is the meat of the coconut in connection with this budget, and the very vast expenditures that have been made this year, and which are contemplated for next year, if I can persuade the hon. members of the House to vote for the estimates which his Honour the Lieutenant-Governor has graciously placed before us.

I think hon. members will ask me this question: "Well, Mr. Treasurer, what are the highlights of this budget?" May I say that there are several highlights of this budget.

As a matter of fact, in the statement which hon. members will receive, they run something in excess of 30 highlights, but I want to condense these into 4 highlights, and I propose to inform hon. members about these things, in condensed form, concerning the affairs of the various departments, giving the necessary cross-references:

Firstly, the provision we are making for employment and the expansion of employment in this province of ours. Secondly, what we are doing in the various facets of this budget for education, to meet the challenges of the development of our human resources in Ontario. Thirdly, what we are doing for our municipalities—1,000 of them in this great province—and what the effect of our actions will be. Fourthly, I would like particularly to refer to our financial position and to our surplus.

Following that, I want to refer to our federal-provincial position, and to our need—indeed, our right—to ask for a better deal at Ottawa, a continuation of what I asked for in this House, this time last year, with a great deal of success.

In conclusion, I want to tell the House about the economic prospects of this great province in which we live, and which it is our honour to serve.

That is the way I would like to deal with this great budget and I shall, as I say, refer back to the various points in the budget text which enable me to do that.

The first point I want to bring to the attention of this House—and there is a very great deal of thought in the statement I am about to make—is the provision for employment and for taking care of the unemployed, from the standpoint of what we are doing by means of built-in stabilizers provincially and federally.

I would say to you, Mr. Speaker, and I think that all hon. members of the House will agree with me, that never in all history has such a programme, such a complete programme, been presented to any Legislature in Canada.

Now, sir, in making that statement, I by no means want to say that what we are doing is the last word, or that it is perfect, because it is not—humans never reach that particular position—but I would say this, that it lays a great foundation for the stabilizing of employment in this land of ours.

In making my explanation, may I say that if we went back some 20-odd years to the middle of the depression, we would find at that time there were certain months in the years of 1933 and 1934 in which 450,000 of

our population were unemployed, and at that time Ontario's population was 3.6 million.

Our 1,000 municipalities were contributing to unemployment relief, in some months, for no less than 450,000 people. The contribution from the municipalities ran all the way from 20 per cent. up to about 45 per cent. of the amount. We had something in the order of 100 municipalities which were bankrupt.

What is the story today? May I say to my hon. friends that there is no comparison, and I think it is a very great mistake to create the idea—I want to disabuse the hon. members' minds, if any of them have that lingering doubt—that today bears any relationship to the middle 1930's, because it does not. As a matter of fact, the estimates that I have from the various departments of government are that today the work force in Ontario is 58,000 greater than it was a year ago.

It is true that we have unemployment, but also in Ontario we have some 58,000 more people working than worked a year ago. We have had very great additions to our work force.

Now, what has happened since the 1930's and what does this budget outline?

In the meantime, we have built-in provisions for the care of unemployment, one of them of course is the universal old age pension. May I say that old age assistance has been increased, and in this budget there will be provision for the payment of that betterment, which last year rose from \$40 to \$55. Built-in stabilization applies to all of these: old age pensions, old age assistance at 65 on a means test, disabled persons' pensions—which is entirely new in the last half-dozen years—and also we have the blind persons' pensions.

May I say that these are, first of all, built-in protections against unemployment which we did not have some years ago.

Secondly, I should say that one of the greatest built-in provisions we have is unemployment insurance. Seasonal unemployment insurance benefits have this year been extended for 12 weeks, I believe, and now extend from December 1 to May 31—I speak from memory. I would say that the underlying provision of unemployment insurance has had a tremendous effect in our country.

We have other built-in stabilizers, of course. We have had since last year a tremendous change in connection with our plans for, and our dealings with, the unemployed.

We have the abolition of what I elaborated on last year, the .45 per cent. portal provision.

Its removal by the federal government has enabled us to deal objectively with the relief problem, to the extent that today in Ontario we have no differentiation between the employable and the unemployable unemployed.

We have been able to reduce the municipalities' contribution toward relief payments. At one time, it was 50 per cent. and was reduced to 40 per cent.; it is now down to 20 per cent., with a contribution of 80 per cent. on the part of the two senior governments.

The third point is this: we have introduced in Ontario this year, as an experiment, as I said, an emergency work plan which is on the basis of a 70 per cent. contribution on the part of the province, and 30 per cent. for the municipalities. In addition, we have provided work on access roads and provincial parks in the more remote areas of the province.

May I refer to one of these items, the matter of unemployment relief. Let me give hon. members an example of the working of these built-in provisions. These figures are estimates, but they are the latest figures that I can give.

A moment ago, I referred to the mid-part of the 1930's when we had 450,000 people on relief in some months out of a population of 3.6 million. Today, Ontario's population verges on 6 million.

In November, on the old 60-40 basis, we had on our relief rolls, 30,378 persons. The 80-20 provision came into effect on December 1, and then in the month of December our relief rolls in the province totalled 35,000 persons.

In the month of January, according to the best estimate of The Department of Public Welfare, and I have no doubt that it is reasonably accurate, there were approximately 40,000 people on municipal relief rolls.

Now let hon. members contrast this with the figure of a year ago. With the 60-40 basis, there were then 28,815 persons on our relief rolls, and that was with the operation of the .45 per cent. portal provision. Today, with the abolition of that portal, and with the elimination of the invidious distinction between the unemployable and the employable unemployed persons, we have 40,000 on our relief rolls in the province.

I say this, Mr. Speaker, that one of the things that stands out most sharply in the budget today, comparing it with the budgets of the past, is the effect of the built-in stabilizers in relation to unemployment.

May I give this further illustration: in the 1930's the municipalities were paying from 20

per cent. to 45 per cent. of the cost of caring for 450,000 unemployed, in some months. No wonder we had 100 or so municipalities which were insolvent.

Today, what is the story? The municipal share of the built-in stabilizer that I have referred to does not run over 20 per cent. That is the extent to which these provisions have affected the financial well-being of our municipalities, and the extent to which the assistance to the municipalities, in so many of these things, has worked.

I mention those things just to point out to the hon. members of this House the effect, when we get down to it, of provisions that we have discussed in a host of different ways here in this Legislature.

In talking about the matter of providing employment and taking care of the unemployed, may I say to the hon. members of this House that I see it to be the duty of this government, the duty of this House, to keep things rolling to inspire confidence on the part of our people.

If there is any keynote in what I am saying today, it is a sure and certain confidence in the ability of Canada and Canadians to provide for her people.

I wish now to refer for a moment to the matter of public investment. After all, it is one thing to look after the people who are aged, infirm, and unemployed, but it is another thing—and an added thing—to look at the development of our country and the development of the great opportunities that are ours in 1958.

In a previous budget—I think it was mine of 3 years ago, or perhaps it was in the budget of my predecessor—an assessment was made of the job opportunities created by the various departments of government and the various undertakings of government commissions and other emanations of government, and the municipalities which are very heavily subsidized by this government. Together, they provide about 175,000 jobs. As a matter of fact, that estimate was made at a time of very high employment, but at a time of very high need as well.

Now, in the current year ending on March 31, the combined total of expenditures and public investments made by this government, its commissions, and by the municipalities and other emanations of the provincial government, which are very heavily subsidized by us, amounted to no less than \$875 million, providing for 215,000 jobs in the province of Ontario.

What about the year coming? For the year coming, the comparable figures are this: we plan, in expenditures by the government itself, by government commissions such as Ontario Hydro and the Ontario Northland Railway, the Ontario water resources commission and other organizations of that sort, and by emanations of government and subsidized agencies including the municipalities, to spend or to spearhead the spending of no less than \$955 million, providing 235,000 jobs for workers in this province.

I would say that this province today is spearheading a tremendous programme of public investment amounting to nearly \$1 billion.

I very well remember when, on ordinary account back about 16 years ago, we passed in this House the \$100 million mark in ordinary revenue. This province is approaching this year, in investments which will provide for the betterment of Ontario and her people, nearly \$1 billion.

I should like to give some very rough references to this immense programme. The Department of Highways expenditures will reach a total in the coming year of nearly \$253 million. There will be some \$55 million expended in buildings and public works. There will be at least \$2 million expended for mining and access roads. There will be an appropriation of approximately \$7 million for projects, including conservation work and dams.

Now, I give hon. members the breakdown of the \$955 million in this way:

Last year, the government of Ontario in its direct works expended \$300 million. This coming year we plan to spend \$340 million. In the year we are in ending on March 31, Ontario commissions expended \$275 million, which, of course, includes the great works on the St. Lawrence and the reconversion of frequencies and so on. This year the commissions, it is estimated, will spend about \$280 million.

Our municipalities last year expended some \$300 million on schools, waterworks, electric power, roads, sidewalks, and so on, and it is expected this year that the total will be about \$335 million, so that we have for next year, as compared with this year's total of \$875 million, a total of \$955 million, providing on-site and off-site employment for approximately 235,000 workers.

Now, in referring to the commissions, may I express my regrets—and I am sure they are those of everyone present—on the passing of Dr. T. H. Hogg, the past chairman and chief

engineer of the Ontario Hydro Electric Power Commission. I should like to acknowledge a great friendship with Dr. Hogg over many years; I should like to express my appreciation of his advice, as a valued consultant, as a great hydraulic engineer, and also for the services he rendered to Ontario over a period of many years.

The next point I should like to discuss, I hope very briefly, is the matter of education, which will be found on pages 9. to 15 of the budget statement on hon. members' desks. Perhaps I could refer to these highlights by saying that, first of all, there will be sweeping revisions in our educational grant system. In 1958-1959 we will increase our assistance to local education to the record sum of \$133 million. That is \$33 million in excess of the current year. That, of course, is an increase of one-third, and it is an enormous sum of money for school grants alone.

The hon. Minister of Education will be referring to this in more detail in a few minutes, but I may appropriate just one short sentence or two of what he is going to say for purposes of emphasis:

Approximately \$133 million in provincial grants will be distributed to local school boards this coming year. This is an increase of 64 per cent. in the last two years. Last year, the increase was \$19 million, and in two years we shall have increased our assistance to education by no less than \$52 million.

Thus, over these two years we have had an increase of 64 per cent., and one of more than 100 per cent. in the last 4 years.

I make reference to this, that the president of the United States recently asked Congress for a federal appropriation of \$1 billion for education. On a per capita basis, the increase in provincial grants to schools in Ontario during the past two years alone would be equivalent to approximately \$1.5 billion, if it were translated into the population of the United States. This will give hon. members some idea of the magnitude of Ontario's effort in this regard.

When I say Ontario leads the United States in education, I do not think I am making an immodest statement in view of what I am about to say.

We propose to place \$3 million in a student aid loan fund to assist students who want to borrow from that fund. I would say that, in regard to our universities, we are increasing maintenance grants very substantially in the coming year. There will be something over \$11 million for university grants as contrasted

with about \$9 million this year, and the capital grants will be increased to \$12 million, making a total of more than \$23 million in university grants and assistance.

These include \$3 million to the University of Toronto, \$1 million to Queen's University, \$1 million to Western University, \$1 million to McMaster University—to which, of course, is added \$1 million for the engineering building. In addition, there is \$1 million for the Toronto dental college.

There will be \$1 million to Ottawa University for its medical and science faculties, \$1 million for Carleton College, \$1 million for Assumption University, and a like amount to Waterloo College—which ought to please some of the hon. members in this House. This, I think, is a very satisfactory statement.

The grants-in-aid of education are, of course, the dominant feature of this year's budget. In the next fiscal year the total education bill is estimated to reach \$177 million in the province of Ontario. That is an increase of \$37.5 million over the appropriation last year, and is \$102 million more than our expenditures on education just 5 years ago.

Just by way of giving comparisons in that matter, may I point out that 14 years ago this coming month, when I introduced my first budget, the total ordinary expenditures for the province of Ontario to run everything, including roads, hospitals, education and so on, amounted to \$115 million. In the next fiscal year, this province is proposing to spend nearly \$178 million on education alone. I think that is a very great record.

The hon. Minister of Education will explain the grants system and table many great volumes of key requirements to the working out of that plan. But may I just make this very brief comment to the hon. members of the House:

Actually speaking, in its simplest terms and perhaps it might be an oversimplification, may I point out that what we are doing this year is extending to the urban areas what we have been doing, in general, in the rural areas over the last half-dozen years or so. That is the effect.

As a matter of fact, as hon. members know, population has been the main basis in judging what a municipality is to receive for education. Two towns of 10,000 people in different parts of the province, with different problems, received the same amount of money. But that did not happen in the rural areas. I would like hon. members to remember this, that what we will now be doing in urban education is, in principle, what we have been doing in rural education for many

years past now, where we have grants extending from perhaps 40 per cent. up to as high as 92 per cent. in the poorer areas of the province, which has made a vast contribution toward equalizing opportunity in this province of ours.

I want to compliment very highly the officials of The Department of Education through their civil service chief, Dr. Cannon, for the immense work that has been done throughout the whole area of that department, and also through the hon. Minister of Municipal Affairs (Mr. Warrender) for the work that Mr. Grant Crawford, his deputy minister, and his staff have done in certain features of this very great work.

I should like to mention particularly Dr. Robert Jackson—who is here in the Legislature today—the director of research of the Ontario College of Education, for what has been a mammoth task in connection with this work. Dr. Jackson has been associated in the last 15 years with all the grant revisions, and I do not think there is anyone who has the encyclopaedic knowledge of the problems of Ontario schools which he has.

What we are doing is this: Population will now enter into the picture only to a certain extent. However, Solomon in all his wisdom could not devise a system of grants that would work equally in Metropolitan Toronto and in some of the smaller townships in the province of Ontario.

As a matter of fact, it is necessary to break the urban portions of our schools into certain classes. One could provide a grants system that will take care of the 5 largest cities, but when he gets down to a city the size of Peterborough, it does not work, therefore there had to be divisions there, but within those divisions, these things apply:

First, provincial equalized assessment. Now, Mr. Speaker, it is not necessary for me to warn the hon. members of this House, because there are very many former councillors sitting here who know all about the problems of equalization, that there is no equalization that is positively accurate. As a matter of fact, there is no equalization that anybody can argue really approaches accuracy. But it does provide a fairer basis upon which to work. That is the purpose.

Now, I would say to the municipal people in this province that the real requirement is a manual assessment throughout the province. But that is a huge undertaking. We have a manual assessment now, for Metropolitan Toronto, which should be extended across the province as rapidly as we can do it. In the meantime, it would be fatal to hold up further

development of grants for education. I think that it will go ahead now apace, with the introduction of a provincially equalized factor which will affect, of course, each individual municipality and school board. But it is very difficult to discuss here any particular group of municipalities, because they vary on that account.

Now the second factor is this, to take the realistic view of using the average daily attendance in the school rather than the population of the municipality.

Now the population of the municipality at one time might have had some bearing on it, but in these days of great growth and change in the province, the fact that a town or a small city has, say 15,000 population, has no reference to the number of children. We have in this province now, I think, one of the highest birth rates in Canada. All of these things have thrown out of tune the old system.

We have also introduced a growth-need factor, which will be explained to the hon. members of this House. I would not attempt to explain it myself, Mr. Speaker. I often think of one time when my hon. friend from Brant (Mr. Nixon) was introducing the estimates for The Department of Education in the absence of Dr. McCarter. Somebody asked him to explain the grant system, and he said that he could not explain it to save his life. I must say that, likewise, I do not profess to be a great expert in these matters.

I would say that the best way to discuss these things is to meet with the experts in The Department of Education and talk over the problem with them in the committee on education, where hon. members can get the fundamentals involved in this matter.

Now, this completes what I have to say with regard to education, but the hon. Minister of Education will elaborate on my statements in a short time.

Now, in hurrying along, I would like to come to the third point of what I think are the highlights, and that concerns our treatment of the municipalities.

First of all, may I refer the hon. members to the very fine schedule shown us in the budget appendix, entitled "Assistance to Municipalities by the Province of Ontario."

In referring to this, may I pay particular tribute to the deputy Minister of Economics, Mr. George Gathercole, and those who work under him, for the information that they make available to this House, to the government, and to the people of this province. As a matter of fact, I know of no abler Depart-

ment of Economics in Canada than our own, and I can assure hon. members that the assistance it renders is very, very great.

In just very briefly referring to the schedule I mentioned, might I, at the same time, refer hon. members of the House to the graphs and to the charts that are shown in the appendix to the budget. They give graphic explanations of the situation as related to a great variety of subjects.

In referring to the matter of population, may I say this, that the great increase of course has had a tremendous impact on our province, both municipally and from a standpoint of our school boards, to which I have referred. The impact of industrial and population growth on the province and the municipal services has been very great indeed.

May I point out that Ontario is the fastest growing area, that is of comparable size, on the North American continent. Last year there was added to our population, every month of the year, no less than 18,000 persons. Now what that means to Ontario may be demonstrated by taking one of our communities in Ontario, of approximately 18,000 or 20,000 population, and contemplating what is required every 30 days across this province in the form of housing and all of the things that go with the living of people, and with the industry necessary to support the way of life of those people.

Our population growth last year was 4 per cent. The average for Canada is 3.1 per cent. and the population growth of our great neighbour to the south is 1.8 per cent., which gives an idea of the growth of this fabulous province in which we live.

Speaking from memory, sir, I think over the last dozen years that our population growth in Ontario has been in the order of more than 1.5 million people. We have added more people to the population figure of Ontario in that time than is the total population of any of the other provinces in Canada, with the exception of Quebec. In other words, we have added more people to our population here in Ontario, in the last 12 or 15 years, than is the present total population of, say, the great province of British Columbia.

Regarding municipalities, may I say this. Although the increase in our grants for local education is the largest in our history, and forms the biggest part of the increase of our assistance to municipalities, other municipal services are also to receive more provincial aid.

Municipal road subsidies are being increased from \$57.7 million to \$61.4 million

in the 1958-1959 fiscal year. May I say that 15 years ago the total of these municipal subsidies in Ontario was only \$3 million and next year it will be up to \$61 million.

Unconditional grants to municipalities in the coming fiscal year are increased to \$21.6 million, an advance of \$9 million, or 70 per cent. over the last 2 years.

We have mentioned the increased assistance for unemployment relief costs, medical costs for persons on unemployment relief, and increased provincial contributions to homes for the aged and other charitable institutions, which are to be increased to approximately 75 per cent. in the case of municipal homes, and for charitable institutions up to 75 per cent. of the cost of those who are unable to pay or make contribution, which very greatly assists these institutions.

During this past week or two, I accompanied my friend, the hon. Minister of Public Welfare (Mr. Cecile), on two particular occasions. We attended the launching of a new house of providence by the Sisters of St. Joseph, and also the opening of a Salvation Army hostel for the aged which is now in operation.

I could not help but think, in both of those cases, that the fine people who run those institutions are going to receive approximately 75 per cent. of their operating costs.

Last year's appropriation for assistance to municipalities, school boards and local authorities is being raised by \$45.3 million. In other words, last year this House voted to the municipalities \$214.8 million, in order that they might undertake and continue their great work. This coming year, starting with April 1, that \$214.8 million will be increased to \$260 million.

It causes me to be reminiscent when I think of my first budget. We provided \$18 million for the municipalities, and that has grown in this coming year to \$260 million, which is an increase of 21 per cent. over last year, and \$101 million or 64 per cent. over the last 3 years. That is a wonderful record. I think my hon. friends in this House will agree.

We are increasing the grants to mining municipalities by \$1 million. In this past year, the Ontario municipal improvement corporation has purchased some \$44 million of municipal bonds.

This year, we are providing a special item to purchase the bonds of certain developmental municipalities, which are very definitely the children of the government at the present time. They are the areas of Manitouwadge, Elliot Lake and Bicroft. In those

cases we are providing \$1.7 million for that purpose.

May I point out that the population of Elliot Lake is shortly going to exceed 30,000, in an area which was solid bush just a few years ago. In my own area, at Bicroft, in a place that was in the very deep bush area, there is being developed today a municipality with a population of between 4,000 and 5,000 people, with new houses, new sewers and everything else that has to do with modern living.

Of course, it is necessary for us to assist these municipalities by giving them the financial backing, that is the credit, that is necessary.

My fourth point deals with our financial position and the surplus. Let me ask hon. members these questions, or let me lay down these conditions. Obviously, the first objective in the matter of finances is a balance on ordinary account. Now may I say that if we take the history of this province—and hon. members will get it in a very short review in the appendices to the various budget statements, the surplus and deficit accounts, and the growth of the net debt of the province.

Of course, the great battle that was faced by governments in preceding days was that of providing for a surplus on ordinary account and, in most cases, additions to net debt were passed on with apologies to the future.

I want to refer to that. I think that puts it in an understandable way. It makes it possible for those who are interested in the subject, on both sides of the House, to understand it. Now, sir, may I give you this picture?

In order to preserve and strengthen our credit, this government has deliberately, as a matter of policy, applied all we could on capital account, namely, we have paid as much as possible of capital projects in cash, or from the current account, that is what we have done.

I must admit here that I have some feelings on that subject. It would be very easy for me, as Treasurer, to provide for an overall surplus, just as simple as this; I could cut our capital account roughly in two, our capital spending roughly in two, and there would be a surplus on ordinary account. It is just as controllable as that. As a matter of fact, was that not the case in other days for the reason that the whole objective was to balance the ordinary accounts?

Now sir, may I again refer to the House the matter of, I think it is \$116 million from ordinary account that is applied on capital

account this year. However, I will not refer again, other than in passing, to a total of \$177 million in these two years. But I should like to tell this House what this administration has done and to compare it with past history.

I could go back into history to the days of Sir James Whitney, to the Drury administration, and to the Ferguson-Henry administration. I am very glad to see Mr. Henry here in the House today, it is a very great pleasure to see him here. I could refer to the Hepburn administration which should more properly be referred to as the Hepburn-Conant-Nixon administration. I could refer to any one of those.

As a matter of fact, the growth of net debt in this province commenced with the end of, or the beginning of the end of, World War I, that is when it started to increase, by \$10 million, \$20 million and \$30 million at a time.

I think I can give the best example of what we are doing by comparing two administrations—a tale of two cities. I have compared two administrations here—this administration and the one immediately preceding it, the one I shall term, for purposes of brevity, the Hepburn administration.

In so doing, I do not make any invidious comparison, I do not criticize the Hepburn administration although I used to criticize them at one time, when I sat opposite. But I am not in that mood today—not in a criticizing mood at all.

As a matter of fact, I think the position of the Hepburn administration was not particularly different from that of the Ferguson administration or the Drury administration or the others.

In making a comparison with the Hepburn administration, if people might think that I have any hardness in my heart, I can assure you that I have not.

May I pay a tribute to Mr. Hepburn, who was the leader of that administration and to whom I sat opposite for a number of years. I hope in the course of this session to have Mr. Hepburn's picture unveiled and placed in the halls of this assembly. He was a very refreshing personality. I often look back on the days when I sat opposite to Mr. Hepburn, and the position that he took in budget presentation. Perhaps I may have learned from one who was a master in his way in relation to that type of thing. I am delighted to have his picture unveiled and placed in the halls of this historic assembly.

I may say this, that I have prevailed upon the hon. member for Peel (Mr. Kennedy), to

consent to our doing likewise in his case. We have his picture painted, but it is in cold storage because "Tom" told me that he did not want to be hung while he was in public life, so we have the picture. I make the same offer to my hon. good friend from Brant and if he would agree to sit we would keep his picture until some day, in the far distant future, when he retires from this assembly and we can hang his picture. And I promise to place Drew, Kennedy, Nixon and Hepburn together where they will be happy.

For the purposes of comparison, to make this thing plain, let me say this. In the days of the Hepburn government—taking the budgets that were introduced at that time and the budgets that were introduced by this government—we find this. In the days of the Hepburn government approximately \$207 million was either added to the public debt or was chargeable because of deficits that had occurred. As a matter of fact the deficit item does not enter into it because there was a combined surplus on ordinary account during the Hepburn years, as I shall mention in a moment. But there were \$207 million added to the public debt, which of course was done by that government. There was credited in accumulated surpluses and sinking funds the sum of \$11.1 million, and there was therefore charged to debt in that period of time a net amount of \$196 million—now that is over the life of that particular government.

May I give the contrast, so that hon. members can see—and I would like my hon. friend from Waterloo North to understand the situation and this policy which we have been following.

In the days of this administration, since August 17, 1943, we have done in capital works \$1.38 billion worth of works, that is \$1,038 million worth of work in that time. We have accumulated surpluses, additions to the sinking fund, the highway reserve account, and this year there is \$39 million for payment directly from ordinary account to capital account—no less than \$667 million.

In other words, sir, I would say that this grand old province has been able to do over \$1 billion worth of work, and in these 15 years it has paid in cash \$667 million on account, and it has left over for posterity and other years, counting ourselves in posterity, \$370 million. That is what we have done.

First of all, the problem is as simple as this: should we, in this day and generation, with these vast works we have, pay for them all in cash? I say to the hon. member for Parkdale (Mr. Stewart) that it is just the

same as his city, or Metropolitan Toronto, paying for the subway on Bloor Street all in one year, that is similar to what we are doing.

Why do we pay \$667 million in cash? For this reason, that the municipalities and government agencies have to rely on our credit for their credit, and we cannot afford to fall down. That is the point.

Now, there are various statements in the budget which deal with that particular matter. I might refer to one of them in a moment.

May I say this to the hon. members of the House. If they want to take apart our net debt, they will see that we have paid for everything that could be called "non-revenue producing." Now I am not one of those who thinks that a mental hospital is non-revenue producing. I think it is, because of the betterment of people, the betterment of conditions of people, the ability it gives to people to be well and to go out and earn money and incidentally pay taxes.

However, if we rule those things out, then we have paid for everything, we have paid vast amounts on the highways of this province, which are revenue producing in a very big way.

I would like to say this in relation to net debt, in concluding my remarks on that feature. Page 7 of the budget shows that the massive capital construction programme, to which we have been committed by the unprecedented growth of our population and industry, has obliged us to add to our net debt at least in some measure. I have pointed out that this year, ending March 31, our capital construction programme totals \$216 million. As our net debt increase will be about \$99.6 million, we have succeeded in financing out of current revenues \$116 million of capital improvement, that is, more than half of our capital investment in physical assets, and this continues our past experience.

Now, in my first few years as Treasurer, we had a surplus on overall account. Capital expenditures in those years averaged only \$4 million, whereas our capital expenditures in this fiscal year, the one we are in right now, is \$216 million, and next year it is going to be \$241.7 million.

Thus, our revenue deficiency in relation to our overall expenditure stems directly from the great volume of capital investment we have underway. Indeed, we have done much better than these figures indicate, because we paid towards such things as schools and

public general hospitals, which are not included in the figures I gave.

While our net debt has risen, so has our provincial production and the personal income of our people. Let hon. members not think that 235,000 jobs do not have an effect on the economy. The personal income of our people and our revenue have grown much more rapidly than our net debt.

When I delivered my first budget 14 years ago, Ontario's net debt formed 14.4 per cent. of the total personal income of the people. This year it represents only 9.4 per cent. In 1944, it would have taken 4 years—as a matter of fact nearly 5 years—of the province's revenue to retire the net debt, as against 1.5 years at the present time.

It is true that we have not, as have some provinces, reduced our debt, but let any hon. member show me any province that has done the job that we have done in the improvement of our capital stock, the improvement of the basis on which the people of Ontario can live and better themselves, and produce revenues for themselves and, if I may say it modestly, for the rest of Canada.

It is true that we have not, as have some provinces, reduced our net debt. But, Mr. Speaker, this House can reduce the net debt of this province next year by a simple expedient, merely by taking the capital plan that we have before us and cutting it in two. By doing that, we will reduce the net debt. Is there any hon. member of this House who would rise up in his seat and ask us to do that? Not one. Is there any hon. member of this House who would ask us to get up and increase taxes? Not one. I think we have unanimity, sir.

It is true, on the other hand, that most provinces have not experienced the rapid growth, with all of its incidental problems, that we have had. If it were not for this capital programme, which has no parallel in our history, our revenue-expenditure position would be favourable beyond words. If we had done no capital work in the current fiscal year, we would have a surplus of \$116 million on ordinary account. Of course, we could cut taxes. Of course, we could do a lot of things. But would anybody with any red blood in his veins, or with a view and conception of the possibilities of our province, think of doing any such thing? I would say that, taking all factors into consideration, and judging by any standards, we have taken a very reasonable and a very proper course.

I shall hurry along because I have exceeded the time I allotted myself, but I should like to say something about federal-

provincial relations. I do that because I noticed, in the *Toronto Globe and Mail* of February 23, an article referring to a meeting held in Kitchener on February 20. It was headlined: FROST BLAMED. It said that the hon. member for Waterloo North said that Mr. Frost had agreed to financial arrangements with Ottawa which are for political expediency and not for the good of the little people. The hon. member claimed that Mr. Frost has been consistently demanding \$100 million, whereas he has settled for \$21 million.

Now I find the press very accurate in this province, but I have no doubt that that is a misreport of what my hon. friend said. But if he did say it, I would suggest that he would be better doing his homework, reading my speeches, than getting into bad company at a Liberal convention.

I should like to refer the hon. members of the House to pages 31A, and following, of the budget, and I will just simply paraphrase parts of it.

In referring to the federal-provincial conference, to which my hon. friend is said to have referred, and I hope erroneously—I hope he has been misquoted—held on November 25 and 26, the attitude of the federal government was cordial and receptive, and from that preliminary meeting already have come several measures that are of benefit to the people of this province.

I would say that, in my experience, no other federal-provincial conference has produced such quick results. These results—I will just run over them rapidly—are:

Firstly, the abolition of the iniquitous .45 per cent. threshold provision which enabled us to bring in for our municipalities the 80-20 relief payments formula to which I have referred.

Secondly, hospital insurance. It has enabled me to go to Ottawa next Monday and sign that great measure for the betterment of our people, the hospital insurance agreement. It has doubled the hospital grants. Now I see hon. members here who are affected by that. I am, in my own town. Doubling the hospital grants has made all the difference in the world, and I would say to the hon. member for Elgin (Mr. McNeil) that, in his municipality, the doubling of hospital grants assisted in the extension of the hospital and the building of a new nurses' residence.

May I conclude on that point by simply saying this, that still another advance in the field of federal-provincial relations is the amendment to the tax-sharing arrangements Act which increases from 10 per cent.

to 13 per cent. the province's share of the personal income tax.

Hon. members will recollect that, prior to this amendment, the best arrangement that we could obtain was a formula of 9, 10 and 50 per cent. In the light of Ontario's rapidly growing needs we could not accept these rates as either equitable or realistic. We submitted that the standard rate should be increased to 15, 15 and 50, capable of yielding this province \$100 million more annually.

I would say to the hon. member for Waterloo North that that is still the policy of the government, and it is still the objective of the government. I want to send over to him, for his reading, a copy of the proceedings of the federal-provincial conference of November 25 and 26 last, and I would commend to him the reading of the address that I made on behalf of the people of the province at that time.

I can assure him that the \$21 million or \$22 million is by no means a settlement. It is a payment on account. That is what it is. These rates I mentioned, of course, remain our objective.

In passing, it may be noted that the reduction of federal personal income taxes which came into effect last January will have no effect on us. As a matter of fact, the 13 per cent. which we receive on the 1956 rates is really equivalent to about 14 per cent., or a little better, on the present rates in effect.

I would say again that, from a federal-provincial standpoint, the municipalities are the principal beneficiaries of the deals which we have made at Ottawa.

I should like now to refer the House to pages 29 to 31 of the hon. members' copies of the budget, "The Need for More Provincial Revenue." While we are gratified by the additional revenue we are receiving from the interim adjustment with the federal government, it is apparent that, if we are to meet our heavy obligations and responsibilities, we must obtain still more revenue from progressive taxation and from those particular tax fields. The fact that this year our net debt will rise by about \$99.5 million, despite the fact that we pay \$116 million of capital improvements out of current revenues, emphasizes the fact that if this old province is going to pull its weight in confederation, if it is going to do the job that is expected of Ontario, then of course we have to have a fairer share of the revenues that the fathers of confederation allotted to us in that great document, The British North America Act.

I would say to the hon. member for Waterloo North that there has been no retreat from

that position at all. I do not think it will be necessary. As a matter of fact, I could not make a dent in the other fellows who were at Ottawa and we went down on November 25 and we made a good interim deal for the people of this province.

At this time I will not elaborate further on that point except to say that that is the policy of this government.

In conclusion, I would like to refer to pages 1 through page 36 of the budget, which I shall not read other than to refer to the economic position of this province.

I have referred before, in 1955 notably, to the ups and downs that we can expect in our economy. At that time, I emphasized the need of keeping things in perspective.

If we are to look at the year 1957 as a whole, we will find that by most measurable tests it was an impressive year. The physical volume of investment and production increased to a very marked extent. Capital investment rose to over \$3 billion, 3 times that of 10 years ago. Personal income was 6 per cent. higher. The consumption of electric power was 7 per cent. higher. Ontario's pulp and paper industry maintained its 1956 level.

Great advances were made in mining and as was indicated yesterday, our mining revenues are forecast to increase. Our mineral production last year rose to nearly \$740 million, 13 per cent. ahead of 1956.

There are, as I say, very many things that are strengthening in our economy. An increase in new residential construction accompanied the move away from the tight-money policy which made it very difficult for us just a year ago.

On the whole, economic dislocation both at home and abroad has not been unmanageable as far as we are concerned. Corporation liquidity is high and personal savings have increased. While any realistic appraisal of the situation must acknowledge points of weakness, which there definitely are, there are nevertheless many strong and vigorous elements in our economy which justify an attitude of confidence, and I would ask hon. members to consider the following:

Our markets are growing rapidly. Last year, Ontario's population increased by over 210,000 or nearly 4 per cent. Each year there are an additional 3 million people in the United States and 40 million abroad who must be fed, clothed, and furnished with some of the comforts and amenities of life. As far as our home market is concerned, the high birth rate and the increase in family

size underline the need for food, clothing, domestic services, children's equipment, schools, highways, electric capacity, hospitals, water and sewage systems and similar services.

By the mid-1960's the high birth rate of the post-war years will be reflected in the family formation group, which should provide a major stimulus at that time to demand for motor vehicles, household furnishings, and other durable goods.

Secondly, an increasing proportion of our labour force is being employed in services such as transportation, communication, electric power, trade services and the like. Between 1946 and 1957, the portion of our labour force engaged in these services rose from 39 per cent. to 49 per cent. And the continuation of this trend will open up many new avenues of employment.

The third point is the growing propensity for young people to prolong their formal education and thereby withhold their services from the labour market.

Capital investment intentions for 1958 suggest a very high volume of spending.

I would say that credit in 1958 will be more readily available and will cost less, and it should serve to stimulate both private and public investment.

Another point is the increased outlays which are made under the built-in stabilizers, which were referred to earlier in this address.

Farm marketing, to which the hon. Minister of Agriculture (Mr. Goodfellow) referred yesterday, will strengthen and improve farm income and purchasing power.

Our major trading partners, the United States and the United Kingdom, are no less dedicated than ourselves to a policy of high levels of employment and we are confident that by working in unison, a resurgence of our economic growth can readily be brought about.

Mr. Speaker, the coming year, of course, will bring its problems, but I am confident that they will not be unmanageable. It is true that in some lines of activity we have more productive capacity than is needed to satisfy demand. But this pause in the upward momentum of demand is temporary. As I have said, the North American market alone is growing by 3 million persons a year, and that of the world to a very much greater extent. There is an ever-widening search for higher living standards. In this province and nation, we have great resources, productive capacity and skilled management and labour. The world has need for them all.

We cannot, of course, force our customers to buy our products, nor can we be content to sit back and wait for time to provide solutions. In our dynamic economy, there are bound to be dislocations which give rise to unemployment and loss of income. We cannot avoid that. They are inescapable aspects of life.

But there are many things that we can do. We can and must improve our productive efficiency, we can try for those measures and methods that will improve and not impair our competitive cost position. There will be additional time and opportunity for research aimed at the improvement and lower cost of products. Let us use them all. Government, business and labour together can push ahead with new ventures and projects that will insure that, while some industries are contracting, others are expanding. In this way, the utilization of our resources can be at a maximum.

To achieve this, let us accept the fact that adjustments and, therefore, adaptability are essential. Let us learn to live with it. Let us keep in mind that our interests are indivisible, and that the indispensable ingredient of success in maintaining a sustained rate of economic growth is the preservation of public confidence. That does not mean that we should bury our heads in the sand. It does not mean that we can dispense with sound financial and economic planning. It simply means that fear and anxiety can sap our strength and undermine our well-being. There are very many strong forces in our economy that favour a continuation of our vigorous growth. Our united policy should be to encourage those forces.

Three years ago, when I delivered my budget address, I said I believed that we were on the threshold of great things. I pointed out that we had increased living standards by a substantial margin, that we had strengthened personal and family security, and that there was no reason why we should not, in the next dozen years, surpass those achievements.

The necessary conditions that I laid down for the achievement of these objects are still applicable. Let me remind hon. members that first I said it would be necessary to maintain an economic environment that fosters confidence, that is both friendly to new ideas and adaptable, that encourages industrial expansion, preserves the right of earning, and that retains just rewards.

Then bringing the government's sector into focus, I said, secondly, that we should exercise common sense and recognize that, if we wish more public services, we must be prepared to pay for them.

Thirdly, I held that we must maintain public confidence in our securities and keep our credit standing bright and clean.

Fourthly, I was convinced that, while undertaking the great development works that would increase the efficiency and productivity of our workers and of our industry, we should keep our taxes as low as possible.

Those were my views at that time and they are still my convictions. If we follow this course and work in unison with our trading partners, I am confident that we can achieve those higher living standards and make the fruit of our progress available in an ever-widening circle.

I did not intend to do this, but I should like to refer the hon. members to the concluding part of the budget I introduced in this House on March 20, 1946, 12 years ago. I do this for this reason. This is a time for confidence, a time for an assessment of the great opportunities that stand before us. I was led to do this by listening, as I do very often, to my grand old friend, the hon. member for Peel. He referred to this passage, which is an inadequate one, in his motion in reply to the speech from the Throne.

I may say that I have been with my good friend on numerous occasions and I have heard him refer to this passage, which was given 12 years ago. Today, he is as young as he was 12 years ago, and I would say that if my reading of this would keep him in harness for another 12 years, then we will have accomplished great things.

Now, I think these words are applicable to the days in which we live, in 1958. These are times when we are faced with challenges and opportunities, as we were in this budget of 1946, which was the first peacetime budget. It was given at a time, if hon. members will recollect, when people talked about the dismantling of war industry and the resultant unemployment that was going to be brought about. At that time, we talked to the people, confidently, of opportunities that lay ahead.

At that time, I said:

We claim that the measures we propose to adopt possess that virility, that force and character, which will assuredly carry this province forward to periods of ever-increasing prosperity for all. While we invite criticism—constructive and sincere criticism—we ask for co-operation. May all of us unitedly invoke those measures which will assure to all our people the full fruits of our abundant resources.

Let us think, not merely in terms of money values, not in columns of figures and decimals and statistics, but in terms of human values, of people, of development and of an abundant and peaceful countryside.

In entering into this period of great development, our spirits must not flag. Before us lies the greatest opportunity ever given to a people, an opportunity which has been saved for us at great price. Now, as never before, is needed the same spirit which brought us through the wilderness of war, but now, to be devoted to the peaceful development of a goodly heritage.

At this turning point of our history, we need all our courage, our enthusiasm and our energy for the great and inspiring task which is before us. We have turned to the lessons of history—to the experience of our fathers who so well laid the foundations of our Dominion.

At this time, when we survey the greatness and possibilities of our country, we are reminded of the words of a leader of other times who encouraged his people with a description of a land which was to be theirs. These words taken from the book of Deuteronomy, in the Holy Bible, are a matchless passage in our language. They might well refer to the opportunity which awaits but the creative spirit of our people.

"For the Lord thy God brought thee into a good land, a land of brooks of water, of fountains and depths that spring out of valleys and hills, a land of wheat and barley and vines and fig trees and pomegranates; a land of oil, olives and honey; a land wherein thou shalt eat bread without scarceness, thou shalt not lack anything in it; a land whose stones are iron and out of whose hills thou mayest dig brass. When thou hast eaten and are full, then thou shalt bless the Lord thy God for the good land which he hath given thee."

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I move that you do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to.

STATEMENT RE SCHOOL GRANTS

Hon. W. J. Dunlop (Minister of Education): This year the government of Ontario, in fulfilment of the second stage of its 3-year

programme, will increase its grants to local school boards by \$33 million—by far the largest increase in the province's history.

As last year's provincial contribution through The Department of Education to the local school boards was raised by \$19 million, the increase this year brings to \$52 million the additional money made available to the municipalities for education in the last two years.

Approximately \$133 million in provincial grants will be distributed to the local school boards this year, an increase of 64 per cent. in the past 2 years, and over 100 per cent. in the last 4.

The president of the United States recently asked Congress for an appropriation of \$1 billion for education. On a per-capita basis, the increases in provincial grants to schools in Ontario during the past two years alone would be equivalent to approximately \$1.5 billion if applied to the United States, which emphasizes the magnitude of Ontario's effort.

Education is today, and has been for more than a decade, Ontario's most absorbing problem. Last September, nearly 1.2 million pupils were enrolled in the elementary and secondary schools of Ontario. This means that one in every 5 of our population is attending one of Ontario's 7,500 schools, which contain nearly 39,000 classrooms, staffed by more than 39,500 full-time teachers.

Under the direction of 3,900 school boards, over \$250 million is being spent on operating expenses, while an additional \$55 million of capital funds are being spent for new schools and other facilities.

A high birth rate, and additions to population through immigration, have complicated the school problem. School enrolment has soared, almost doubling since 1945. Each year the increase has been more than double the rate of our population increase.

That growth has presented us with the most formidable and challenging task in our history. It has involved more than constructing new schools. It has meant educating and recruiting teachers, finding the money for expansion, evolving a grants structure founded on a just basis of distribution, and maintaining and strengthening the character and standards of our educational system.

Our school system is a product of the vision and efforts of those who have gone before. It did not evolve easily or quickly. On the contrary, it required patience, foresight, planning and courage to mould it into today's system of high standards.

In many respects, our forefathers fashioned our school system in much the same way

as they met the other problems of their day—through trial and error, hard work and sacrifice. They created a school system based on local needs and requirements. Thus, all our publicly-supported elementary and secondary schools are in a true sense local schools. They are owned, operated, controlled and directed by the representatives of the local communities. For many decades, elementary and secondary school education was financed almost exclusively by the people in the locality.

In some countries there is no opportunity at the community level, except in a limited and most circumscribed way, to exercise control and initiative in school affairs. In Ontario, on the other hand, there is this opportunity. Within the broad limits set out in the relevant Acts and Regulations, there is freedom to experiment in curricula, textbooks, teaching methods and school organization.

Parents, teachers and pupils have mutually benefited from this interplay of local initiative and interest. Certainly our ancestors believed that local responsibility in school affairs was essential. In retrospect, perhaps, nothing has been more effective in keeping strong the forces of democracy in Ontario than the local control that is exercised over school and municipal affairs.

The province's role in education

None of this suggests that the province can be indifferent to our standards of education. Constitutionally it has overriding responsibility. It must strive constantly for higher standards, and for those conditions which will ensure equality of opportunity for education throughout the province. These conditions have not always prevailed.

In the early years, the assistance given by the province was almost exclusively a small per-pupil grant, and as such it failed to take into account the widely different financial needs of the municipalities. In the decade prior to 1945, in addition to the per-pupil grant, special legislative grants were provided to improve teachers' salaries and make possible the acquisition of new equipment. Although helpful, this plan still fell far short of a real attack on the problem.

The first major advance in the system of school grants was made in 1945. In that year, the basis of distribution was completely changed, and the total amount of the grant was nearly tripled—from \$8.4 million to \$23.4 million.

The governing principle underlying the 1945 plan was that the major portion of pro-

vincial aid should be so distributed that, as nearly as possible, it equalized the burden of taxation for education throughout the province. Grant schedules were worked out in such a way that the percentage of approved school costs, met out of provincial grants, was considerably higher in areas where real property assessments were lower than in areas where the assessments were generally higher, because they reflected not only the presence of more valuable residential property, but also the existence of industrial and business assessments.

The grant percentages ranged from 92 per cent. in some rural areas to a minimum of 16 per cent. in the largest urban centres.

Although this system was experimental in nature, and not altogether free from defects, it represented a notable step forward in the direction of equality of opportunity in education for children in all parts of the province.

In the ensuing years, a number of improvements were adopted. By 1950, such substantial changes had occurred in local population and assessment that the limited percentage graduations for elementary schools were no longer adequate, and had to be modified in order to minimize the often considerable effect of even minor changes and differences in population and assessment.

Similarly, to achieve a greater degree of equity, revisions were made in the grant schedules for secondary schools. It was also found necessary to raise ceilings on approved costs, and to provide greater aid to school boards faced with large capital expenditures.

Commencing in 1955, the province paid a supplementary per-pupil grant, in addition to all other payments. This began at \$4 per pupil in 1955 and was increased until, in 1957, it reached \$11 per pupil for elementary schools and \$20 to \$30 per pupil in continuation schools, high schools and vocational schools.

In addition, last year the province raised the recognized allowance for the salaries of elementary school teachers, upon which grants were calculated, from \$75 per pupil to \$100 per pupil.

These various revisions represented a realistic effort to improve both the amount and the equity of the school grants and to alleviate the especially acute problems of rapidly developing areas. The province recognized, however, that as long as one of the criteria of financial need was the assessment of property, as determined in each municipality by local assessors, there could not be just distribution.

Despite the increase in grants, which have nearly doubled in the last 4 years, and the many other improvements, the absence of a common yardstick for municipal assessment made it desirable for municipalities to under-assess in order to obtain a larger school grant.

In these circumstances, some form of equalization of assessment on a province-wide basis for grant purposes became imperative.

Three years ago, this assessment problem was tackled, but so immense has been the task that it was not until this year that the information became available for establishing a province-wide basis of equalizing assessment for grant purposes.

The assessment branch of The Department of Municipal Affairs has published a manual to guide assessors in the evaluation of real property, and through actual assessment of properties on a sampling basis, has prepared a set of equalization factors which will now be used for legislative grant purposes. The significance of this development cannot be over-emphasized.

The ultimate objective must be assessment on a uniform standard throughout the province, following the procedure set out in the manual previously mentioned. No pretence is made that the present system is completely accurate, and it is freely admitted that there is no fully satisfactory substitute for a uniform assessment of the type carried out in Metropolitan Toronto, without which the Metropolitan area could not have functioned.

The procedure adopted for equalizing assessment for school grant purposes does, however, provide an approach toward accuracy, and no one can deny that it will give a much more equitable distribution of school grants than has ever been attained before.

Before describing the grants system that will come into effect this year, it should be pointed out that the assumption by the province, of an increased proportion of educational costs, does not entail any interference with the traditional autonomy, functions and operations of the local school boards and the municipalities. Fundamental changes in our economy have made it necessary, however, for the province to participate more fully in the financing of education.

In the early years of our history, members of the family commonly lived, attended school, and worked in the same community. Today, with the vast improvements in transportation, the situation has changed. Many people live in one community and work

and make their major commodity purchases in another.

The result is the emergence of residential communities having little industrial and business assessment, but large numbers of school children and all the problems incidental to the provision of educational facilities.

The two contrasting patterns of municipal growth—one with a heavy concentration of industry and business and relatively few children, and the other with a concentration of children and little commercial and industrial assessment—have been a distinctive feature of our development since World War II.

Modern education has become a very expensive business. Better educational facilities, higher salaries, the spectacular rise in enrolment in elementary schools, and a pronounced trend for children to continue their education in secondary schools, have combined to increase costs and thrust heavy burdens on municipal finances, which are met primarily from levies on real estate.

In the face of this situation, the province has continued to move forward by assuming an increasing proportion of educational costs.

The people of Ontario have gained in 3 important ways from this course of action.

1. As never before, equality of opportunity has been achieved. Whether the child comes from the farm or from the city, from a wealthy residential district or from a relatively poor area, he should have the opportunity of developing to the limit of his ability.

Because of increased grants from the Ontario government, municipalities and school boards lacking adequate resources have been able to provide educational facilities of a standard comparable with those of more favourably situated communities—certainly far above the standard that would otherwise have been possible.

2. Increased provincial assistance has made possible a province-wide betterment of teachers' salaries, conditions of work, and educational facilities.

3. The onerous burden of municipal tax rates on residential, farm, and industrial property has been eased, and home ownership has been encouraged.

In underwriting a greater share of school costs, the province has sought to foster standards of education that make the most effective use of the intellectual resources and potentialities of our people. We are confident that this objective can be achieved without disturbing the traditional basis of our system.

Elementary and secondary school education must continue to be a local function; and where there is local direction and control, there must also be local financial responsibility.

The second stage of the new school grants programme

In addition to the \$19 million increase provided in 1957 in the first stage of the new school grants programme, the distinctive features of the second stage are as follows:

1. A further increase of \$33 million in school grants has been provided. Grant schedules have been scaled upward to give relatively higher grants in practically all parts of the province.

2. Throughout the province the school grants will be based, in part, on a provincially equalized assessment of real property in each school district.

3. In certain areas of the province, where the full application of provincially equalized assessment would result in drastic reductions in school grants, a substantial step toward full equalization will be taken in 1958, and thereafter equalization will be attained in progressive stages.

4. A growth-need factor has been adopted to provide additional assistance to school boards in any area of the province where rapid growth has led to the construction of new schools and a consequent heavy burden of debt charges and other extraordinary school costs. This growth-need factor affords a higher percentage of assistance to any municipality that is obliged to incur heavy capital costs and other extraordinary expenditures.

Recognition is thereby given to the specific requirements of school boards beset by a rising tide of school population. Municipalities and school boards which experience difficulty in financing the construction of schools will receive relatively more by way of provincial assistance than those which have less formidable problems because of their stable situation.

Expressed more precisely, for municipalities where rapid development has taken place, the application of the growth-need factor raises the basic percentage of aid on recognized costs as well as the basic per-pupil grant on average daily attendance. The grants are adjusted upwards in accordance with the recognized extraordinary expenditure per classroom, in the case of elementary schools, and the recognized extraordinary expenditure per pupil of average daily attendance in the case of secondary schools.

"Extraordinary expenditure" includes recognized debt charges, capital outlays from current funds, and transportation costs.

The growth-need factor is an innovation. To the best of our knowledge, no other jurisdiction has embodied it in a general grants structure. Its aim, both in principle and practice, is to direct additional assistance to those rapidly expanding areas that are required to pay large debt charges and meet other extraordinary costs.

Experience in Ontario shows that the impact of school costs is more serious in communities of rapid growth than in those with relatively stable populations. This has also been our experience in other provincial services. Our new formula is therefore designed to provide additional revenue for education in these "growth municipalities".

Under the new system, the basic grant payable to elementary school boards will be graded in accordance with the provincially equalized assessment per classroom. The lower this assessment per classroom is, the higher will be the percentage that is applied to the recognized school costs, and the higher will be the graded payment per pupil of average daily attendance.

The growth-need factor will increase the basic rates of assistance in keeping with the level of recognized extraordinary expenditure per classroom. The new grants to secondary schools will be determined in a somewhat similar manner.

However, the graded percentage that is applied to the recognized school costs, and the graded amount per pupil of average daily attendance, will be scaled according to the equalized assessment per capita rather than the equalized assessment per classroom.

The basic grant will again be graded upward for growth-need, but in this case it will be in accordance with the level of recognized extraordinary expenditure per pupil of average daily attendance.

Under the new plan, greater weight has been given to assessment and less to population, although population is still retained for grouping purposes to ensure a smooth transition from the old plan to the new. Thus, a series of grant schedules, rather than a single one, has been prepared. The grant schedules are arranged, for convenience, according to the population of the municipality or municipalities concerned.

The changes in the grants structure this year have been substantial. It is expected that difficulties may be encountered in the application of these new principles and in

the implementation of the changes. Major adjustments, if any are required, will be made next year in the light of the experience gained during this year's operation. If any cases of inequitable treatment are brought to our attention during the year, they will receive our most earnest and sympathetic consideration.

The complexity of our school system is produced by varying local circumstances and the existence of nearly 4,000 school boards, each one of which presents a different problem. Therefore, the introduction of a series of fundamental changes such as these is an immense task. Moreover, in our rapidly expanding province, conditions are always changing, and anything we do must be subject to constant review and refinement.

Copies of the new school grant regulations have been prepared, Mr. Speaker, and I now table them for the information of the hon. members of this House. Since the grant schedules incorporated in these regulations cannot be used without the corresponding provincial equalizing factors, the hon. Minister of Municipal Affairs (Mr. Warrender) will wish to table these factors at the same time.

Recognizing that the municipal councils and school boards, in particular, will be most anxious to learn the effect of these changes upon their own communities, we have arranged to place all the relevant information in the hands of our school inspectors at once. In fact, Mr. Speaker, the inspectors have been called in to our department to study these new regulations, and even as we sit here groups of them are meeting in the city.

School boards will, therefore, be given the details of the new programme at the earliest possible moment.

Conclusion

The introduction of this second stage of the new school-grants programme is a notable contribution to education in this province. We are, however, under no illusion that it is the last word. On the contrary, in announcing last year our 3-year educational programme, we emphasized that, following the adoption of this second stage, it would require at least another year to effect refinements in the light of experience.

The improvement of our school-grants structure has been founded on continuing study and painstaking research extending over many years. It is part of a rational and planned effort to continue to maintain and develop high standards of education for our people without placing an excessive burden of taxation upon them.

It is encouraging to see the lively interest of the people of Ontario in education. Our whole economic progress, and the enrichment of our way of life, depend upon the success that is achieved in developing and using our intellectual resources.

Obviously, finance alone will not meet all challenges or satisfy all educational needs. But there is evidence that where financial support is adequate, a generally higher standard of education is obtained.

Because of the mounting enrolments and the unprecedented demands for teachers and school accommodation, the financial burden will be formidable. The money that is needed cannot be provided without sacrifice; it must come from taxes.

The new school-grants programme is not designed to encourage frills and extravagance, for the financial task will be difficult enough even if we confine our attention to the provision of the essentials of education. It does, however, enable school boards to plan soundly for the future, and in this way serves to reinforce and strengthen the whole educational system of Ontario.

Mr. F. R. Oliver (Leader of the Opposition): Might I ask the hon. Minister of Education if this move on his part introduces the educational estimates, or what is the object?

Hon. L. M. Frost (Prime Minister): I adopted this expedient as the only one that I could devise in which to place before the House the factors that are required to enable the boards and municipalities and this House to assess the new system.

It was not my intention to do any more today than merely introduce the matter, and place the grants, the regulations, and the equalized assessment on the table so the hon. members could study them. Later on, we will call the estimates of The Department of Education, when this House is ready to consider them, perhaps in a week or 10 days' time.

Mr. Oliver: What has happened today—does that indicate that The Department of Education estimates will be the first ones called?

Hon. Mr. Frost: No, I would think that the hon. members would require time to see how these factors work out.

As a matter of fact, it is impossible with 4,000 boards, to lay the particulars of each board out. They have to be worked out with the inspectors and with the boards, and no doubt they can be made available to the

hon. members just in the ordinary course of working the matter out.

The only purpose of using this method was to make available to the House the particulars which are today being released to the school boards throughout Ontario.

Mr. Chairman, I move that the committee rise and report progress.

Mr. Chairman: The committee of supply begs to report progress and asks leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Hon. Mr. Frost: Mr. Speaker, before I move the adjournment of the House, may I say that tomorrow we will proceed with bills on the order paper and the Throne debate.

Mr. T. D. Thomas (Oshawa): Could the hon. Prime Minister tell us when we are likely to get copies of the report tabled by the hon. Minister of Education this afternoon?

Hon. Mr. Frost: Does the hon. member mean the regulations?

Mr. Thomas: Yes.

Hon. Mr. Frost: Well, the regulations will be available at once. Now concerning the equalization factors, and as a matter of fact, I could provide the hon. member with all the equalization factors that would affect his riding. Quite obviously—I mean there are several hundred of them, and it is quite obvious that many of them would have no reference to his area, but I would be very glad to get the equalization factors and I will see that he gets a copy of the regulations.

I will see that each hon. member gets a copy of the regulations immediately, and also that he receives a statement of the equalization factors as affect the areas and school boards in his particular riding.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5.35 of the clock, p.m.

BUDGET STATEMENT
of
THE HONOURABLE LESLIE M. FROST
PRIME MINISTER AND TREASURER OF THE PROVINCE OF ONTARIO
WEDNESDAY, FEBRUARY 26, 1958

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THE BUDGET

Hon. L. M. Frost (Prime Minister): Mr. Speaker, after a lapse of 3 years, it is again my pleasure to bring down the budget of Ontario. As all its predecessors—and this will be my fourteenth—it is a reflection of the times in which we live. It is designed to meet the conditions and problems with which we are faced. It has been formulated in the light, not only of our pressing requirements for education, health, welfare, highways and other services, but of the economic conditions and realities of the day.

After a decade and a half of unparalleled expansion, that carried capital investment, production, employment and living standards to historic high levels, we should not be surprised if economic adjustments are required. In my budget statements of both 1954 and 1955 I pointed out that, in a dynamic economy, adjustments in industry and employment are the normal process by which production is adapted to demand, and I stressed that in all sectors of our economy we must constantly aim for flexibility and adaptability to meet changing conditions.

I also emphasized the need for keeping things in perspective, and if we look at the year 1957 as a whole, we shall find that by most measurable tests it was one of impressive accomplishment. Despite the remarkable increases in 1955 and 1956, the physical volume of investment and production together with employment were all higher in 1957.

Capital investment rose to over \$3 billion, 3 times that of a decade ago. Personal income was 6 per cent. higher, while electric power consumption increased by nearly 7 per cent. Ontario's pulp and paper industry maintained its 1956 record level of output, while sales of uranium and nickel more than offset declines in copper and other base metals, with the result that Ontario's mineral output rose to \$739 million, 13 per cent. above that in 1956.

Agricultural production held almost to the 1956 level, and was higher than that in each of the years 1953, 1954 and 1955.

The housing industry developed a marked upturn after reduced down payments were effected and more funds were made available. New residential units and conversions completed in Ontario in 1957 totalled nearly 46,000, a level exceeded only in the peak years of 1955 and 1956, while the number of residential starts fell only fractionally short of those record years.

Purchases of food and soft goods also continued to advance, roughly offsetting the decline in the purchases of motor vehicles and certain other consumer durables. Thus, by most standards, the past year has been a prosperous one. More people were employed and more goods were produced than ever before in our history.

Each year brings its special set of problems, and this year is no exception. To overcome the accumulated shortages of the war years, and to meet the requirements of rapid growth, a prodigious increase in productive capacity has been brought into operation, not only in Ontario and Canada but in other countries. In some fields, this increased capacity cannot be fully employed for the time being. In others, there has been an easing of demand.

Although our overall production has continued on a high plane, adjustments have been necessary, and these have given rise to more unemployment than we have recently been experiencing. To the volume of seasonal unemployment that normally occurs, at this time of the year, has been added a number of unemployed workers who are in the process of changing their places of employment as conditions adjust themselves to the changing pattern of demand.

On the whole, economic dislocations both at home and abroad have not been unmanageable. Corporation liquidity is high and personal savings are increasing. While any realistic appraisal of the situation must acknowledge points of weakness, there are nevertheless many strong and vigorous elements in our economy which justify an attitude of confidence. I would ask the hon. members to consider the following:

1. Our markets are growing rapidly. Last year, Ontario's population increased by over 210,000, or nearly 4 per cent., while about 500,000 people were added to the Canadian market. Each year, an additional 3 million people in the United States, and about 40 million abroad, must be fed, clothed and furnished with some of the comforts of life.

As far as our home market is concerned, the high birth rate and the increase in family size underline the need for food, clothing, domestic services, children's equipment, schools, highways, electric capacity, hospitals, water and sewage systems and other similar services.

By the mid-1960's the high birth rate of the years immediately following World War II will produce a bulge in the family formation group which should provide a major stimulus to demand for motor vehicles, household furnishings and other durable goods.

2. An increasing proportion of our labour force is being employed in services such as transportation, communications, electric power and gas, wholesale and retail trade, finance, insurance, restaurants and recreation. Between 1946 and 1957, the proportion of our labour force engaged in these service industries had risen from 39 to 49 per cent. The continuation of this trend will open up many new avenues of employment.

3. There is a growing propensity for children to prolong their formal education and thereby withhold their services from the labour market. For instance, in 1951, 60 per cent. of the male population between 14 and 24 years of age was in the labour force; by 1957 this proportion had declined to 53 per cent.

4. Capital investment intentions in 1958 suggest another high volume of spending. The contraction in private capital investment will largely be offset by the expansion in enterprises such as pipe lines, electric power and telephone systems as well as schools, university buildings, highways, hospitals, and local services. The expansion of such services affords strong support to current business, and lays a firm foundation for a broad economic advance.

Owing to new injections of capital funds, 1958 will also be an active year for housing. The acceleration of housing completions should spur sales of furnishings and electrical and gas appliances and fixtures. In all this work, the federal, provincial and municipal governments are co-operating closely.

5. Credit in 1958 will be more readily available and will cost less. This should serve to stimulate both private and public investment.

6. Increased outlays will be made under such built-in stabilizers as old age pensions, old age assistance payments, family allowances, unemployment insurance and direct relief benefits. Increased appropriations for education, health and welfare will also be required. Together with the reduction in individual income taxes, these programmes reinforce and enhance consumer spending.

7. Farm marketing and support programmes will be strengthened to improve farm incomes and purchasing power.

8. Our major trading partners—the United States and United Kingdom—are no less dedicated than we are ourselves to a policy of high levels of employment and income, and we are confident that by working in unison, a resurgence of our economic growth will be achieved.

THE PROVINCIAL CONTRIBUTION TO CAPITAL INVESTMENT AND EMPLOYMENT

Although, in Canada, the federal government is primarily responsible for maintaining a high level of employment because of its control over monetary policy, its regulation of tariffs and trade, and its possession of the main fiscal and tax powers, nevertheless the province and the municipalities can, and do, make a significant contribution to maintaining sustained growth. The fact is that the most essential public projects, which are in demand today and underlie our development, fall within provincial and municipal jurisdiction.

During the current fiscal year, the government of Ontario, together with the municipalities and the various commissions and agencies, will spend a total of \$875 million on capital formation, and repairs and maintenance to physical assets. Of this amount, \$300 million will be for provincial projects such as highways, roads and hospitals. The provincial commissions, mainly Ontario Hydro, will spend a total of \$275 million—\$215 million for new construction and the remainder for frequency conversion, repairs and maintenance.

The municipalities, school boards and local commissions account for an additional \$300 million, making the aggregate expenditure by Ontario's various provincial, municipal and other authorities \$875 million.

This huge expenditure is over \$175 million more than was spent just 3 years ago when I referred to this matter. At that time, it was estimated that it provided employment for approximately 175,000 workers. In the year closing, our programme has been furnishing on-site and off-site jobs for more than 215,000 full-time workers who are engaged in building new physical assets and structures and maintaining and repairing our existing facilities.

Nor does this tell the whole story: In carrying out such a huge volume of work, there are obviously other indirect effects which ramify throughout the whole economy, generating secondary and tertiary income and employment.

In the coming year, an even larger capital investment and repair and maintenance programme will be undertaken. The municipalities, faced with pressing needs for an extension of their facilities, are projecting a volume of work that exceeds that of 1957, while the province, on its part, is increasing its appropriation for its undertakings by an additional \$40 million.

We are therefore making a telling contribution to the alleviation of unemployment. And I give this assurance, that should there be unemployment conditions that call for a further extension of our capital investment policy we shall, in co-operation with the federal government and with its assistance, take an even more active part in creating useful assets and employment for our people.

It may not be amiss, however, to point out that private enterprise accounts for 70 per cent. of all capital expenditure. Thus, the success of any policy designed to maintain a sustained rate of economic growth depends upon private business—upon its initiative, its good judgment and ingenuity, the restraint that both business and labour exercise, and the harmony with which they work together to solve their common problems.

STATEMENT OF EXPENDITURE, REVENUE AND SURPLUS

Although from the standpoint of both assistance to municipalities and direct provincial services, we have carried out the largest programme in our history, I am able to announce a surplus on ordinary account. The government's net ordinary expenditure for the current fiscal year ending March 31, 1958, is estimated at \$581.6 million. This expenditure includes certain special grants and payments, which I shall describe in the next section, as well as \$17.8 million for sinking funds, \$57.5 million for transfer to highway construction account, and \$39 million for application to capital expenditure.

The province's capital expenditure during the current fiscal year totals \$215.7 million, an increase of \$43.9 million over that of last year. Of this amount, \$164.1 million will be spent for highways and natural resources and community access roads, while \$43.9 million will be for public works, including the Ontario hospitals, and conservation and developmental projects.

The combined net ordinary and capital expenditure of the government, in the fiscal year 1957-1958, is therefore estimated at \$758.3 million, including \$75.3 million for sinking funds and highway construction account.

Three services—education, highways and health—account for two-thirds of our total expenditure. Expenditures for education, excluding those for the agricultural and veterinary colleges, total \$142.8 million; the combined ordinary and capital expenditure on highways amounts to \$230 million, while that for health totals \$69.1 million.

Among other large spending departments are: welfare, \$35.5 million; municipal affairs, \$37.9 million; lands and forests, \$20 million; and The Department of the Attorney-General, \$17.6 million.

The net ordinary revenue of the government for the current fiscal year, 1957-1958, is estimated at \$582.1 million, of which the largest sources are corporation income tax, \$147 million; gasoline tax, \$135 million; motor vehicle licences, \$51.5 million; tax rental agreement for personal income tax, \$74.4 million; liquor control board profits and fees, \$65.6 million; succession duties, \$30 million, and revenue from timber dues and game and fish licences, \$22.1 million.

Thus, after making provision for sinking funds, transfers to the highway construction account, and the application of \$39 million in current revenue to capital expenditures, our interim surplus on ordinary account is estimated at \$547,000.

PROVINCIAL NET CAPITAL DEBT

The massive capital construction programme to which we have been committed by the unprecedented rate of our population and industrial growth, has obliged us to add to our net capital debt at least in some measure. As I have pointed out, this year, our capital construction programme totals \$215.7 million, yet our net capital debt increase will be held to \$99.6 million.

Thus, we have succeeded in financing, out of current revenues, \$116 million of capital improvements. That is more than half our capital investment in physical assets and continues our past experience.

In my first three budgets, from 1944 to 1946, we had a surplus on overall account, but our capital expenditure in those years averaged only \$4 million, whereas our capital expenditure in this current fiscal year is \$215.7 million. Next year it is estimated to be \$241.7 million.

Thus, our revenue deficiency, in relation to our overall expenditure, stems directly from the great volume of capital investment we have under way.

Indeed, we have done much better than these figures would indicate, for we have financed a substantial part of the capital cost of local services, such as new schools and public general hospitals, and we have done it out of our current revenue.

While our net debt has risen, our provincial production, the personal income of our people, and our revenue have grown much more rapidly. When I delivered my first budget address 14 years ago, Ontario's net debt formed 14.4 per cent. of the total personal income of the people of Ontario. This year it represents only 9.4 per cent. In 1944 it would have taken over 4 years of the province's revenue to retire the net debt, as against 1.5 year's revenue now.

It is true that we have not, as have some provinces, reduced our net debt. On the other hand most provinces have not experienced the same rapid growth with all its incidental problems. Were it not for this capital programme, which has no parallel in our history, our revenue-expenditure position would be favourable beyond words.

But so long as we are in this expansion phase, we are committed to a large volume of capital investment, and this reflects itself in the rise in our net capital debt.

However, taking all factors into consideration and, particularly, the need for a moderate structure of taxation, our assistance to the municipalities and this huge accretion of physical assets which is contributing so much to the economic well-being of our people, the increase in our net debt, judged by all standards, has been very moderate.

SPECIAL GRANTS AND PAYMENTS

As in previous years, we are providing a number of special grants and payments for education, health and cultural services. In addition, this year we are asking for a special appropriation for the relief of unemployment. These measures, I am sure, will receive the full endorsement of this House.

Prior to last year, we included in this list a number of capital grants to facilitate the expansion of university facilities. This year, as last, such grants are mainly provided in the estimates for 1958-1959. Supplementary estimates authorizing special grants to be paid out before the end of this fiscal year will be introduced as follows:

Education

University of Toronto—for new dental building.....	\$ 1,000,000
McMaster University—for engineering building.....	1,000,000
Royal Ontario Museum—for extension of the arts.....	100,000
Royal Botanical Gardens—to retire capital indebtedness.....	92,000
Law Society of Upper Canada—for capital purposes.....	100,000
Teachers' superannuation fund—special contribution.....	1,000,000

Health

A special grant of \$200 per bed is to be paid to the public hospitals before the end of this fiscal year to assist them in meeting their capital costs. In addition, it is proposed to provide a special grant totalling \$2 million to assist hospitals which undertake the training of nurses. Thus, to summarize these and other health grants:

\$200 per bed in public general, chronic and convalescent hospitals.....	\$ 6,075,000
To assist hospitals in nurses' training.....	2,000,000
The Banting and Best research fund.....	20,000
The Ontario Heart Foundation.....	100,000
Ontario Cancer Institute.....	600,000

Special unemployment assistance

As recently announced in the House, the government is proposing to make grants to municipalities of 70 per cent. of the direct labour costs incurred on special work projects. The amount of \$5 million is being placed in the supplementary estimates for this purpose.

Other

A special grant of \$35,000 will be paid to St. John's training school for boys.

A special contribution of \$1 million will be made to the public service superannuation fund.

The amount of \$1.76 million will be placed in the supplementary estimates for making advances to, and purchasing the debentures of, the improvement districts of Elliot Lake, Manitowadge and Bicroft. These communities are meeting with exceptional developmental problems, as a result of their rapid population growth, and require special aid at this time to finance their capital projects.

In total, these special grants and payments amount to \$19,882,000.

HUMAN BETTERMENT

Education, health and welfare

To me, education is Ontario's most important and absorbing problem. I make no apologies for so describing it. Last September 1.2 million pupils were being taught in Ontario's elementary and secondary schools by nearly 40,000 full-time teachers. Nearly 4,000 school boards directed the expenditure of over \$250 million for current operations, and spent an additional \$55 million for the construction of new schools and other facilities. Our school enrolment has almost doubled since 1945, and each year the problem grows in magnitude.

For every student we now have in our elementary schools, we will have two in another 15 to 20 years. Requirements for this growth have presented us with our most formidable task. It involves more than constructing schools. It means educating and recruiting teachers, finding the money for expansion, evolving a grant structure founded on a just basis of distribution, and maintaining and strengthening the character and standards of our educational system. This is the challenge we face now, and which we shall continue to face well into the future.

The province's contribution to education has increased greatly through the years. As far as grants to local boards of education are concerned, the first major advance occurred in 1945. In that year, the basis of distribution was completely changed, and the total amount of the grant was tripled—from \$8.4 million to \$23.4 million.

The governing principle underlying the 1945 plan was that the major portion of provincial aid should be so distributed that, as nearly as possible, it equalized the burden of educational costs throughout the province. The new system was not free from defects, but it was a notable step forward in the direction of equality of opportunity for education to children in all parts of the province.

In the ensuing years, a number of improvements were adopted. It was also found necessary to raise ceilings on approved costs, and to provide better aid to school boards faced with large capital expenditures.

Commencing in 1955, the province paid a supplementary per pupil grant in addition to its other payments. This amounted to \$4 per pupil in 1955, and it was progressively increased until in 1957 it reached \$11 per pupil for elementary schools and \$20 to \$30 per pupil for children in continuation, collegiate and vocational schools.

In addition, last year the province raised, from \$75 per pupil to \$100 per pupil, the recognized allowance for salaries of elementary school teachers upon which grants were calculated.

These various revisions represented a realistic effort to improve both the amount and the equity of the school grants and to ameliorate the especially acute problems of rapidly developing areas.

The province recognized, however, that as long as one of the criteria of financial need was the assessment of property rateable in each municipality by local assessors, there could not be a just distribution of aid. Despite the increases in grants—doubled in the last 4 years—and many other improvements, the absence of a common yardstick for municipal assessment created inequities. Indeed, the province's grants, based as they were partly on local assessment, discouraged any effort at assessment reform.

In most instances, the practice of under-assessing was self-defeating, for one municipality's gain was at the expense of another. Municipalities which kept their assessments arbitrarily low tended to forfeit more revenue from industries and business and other property owners than they gained in the form of provincial grants. In these circumstances, some form of equalization of assessment on a province-wide basis for grant purposes became imperative.

Three years ago the assessment problem was tackled, but so immense has been the task that it was not until this year that sufficient information became available to establish a province-wide operating basis of equalized assessment for grant purposes.

The significance of this development cannot be over-emphasized. Not that we believe that our system is the last word. We are under no illusion that it is completely accurate, and that it will not require refinements.

Nevertheless, the system that has been developed has stood the test of experience, and will provide a far more equitable distribution of school grants than has existed before. With the marked increase in grants that we are providing in this budget, the adoption of a common yardstick for municipal assessment cannot be delayed.

Last year, as the first instalment of a 3-year programme of assistance to school boards, we increased our grants, on an interim basis, by \$19 million. This year, in fulfilment of the second stage of our programme, we are providing for an additional increase of \$33 million—by far the largest increase in the province's history.

The payment of this amount brings to \$52 million the additional money the province has made available to the municipalities for education in these two years alone. It means that in the coming fiscal year, we will distribute grants of \$133 million to the local boards—an increase of 64 per cent. in 2 years and 100 per cent. in the last 4 years.

The people of Ontario gain from this policy in 3 important ways:

First, as never before, equality of educational opportunity has become a reality. Whether the child comes from the farm or the city, from a wealthy residential district or a relatively poor area, he has an opportunity of developing his talents to the fullest extent of his ability. More diversified courses, better facilities, higher teachers' salaries, a spectacular rise in enrolment in secondary schools, and a marked and most gratifying propensity for children to remain in secondary school for a longer period of time—all these have combined to increase costs and thrust heavy burdens on municipal finances, supported primarily from levies on real estate.

The province has therefore assumed a much greater proportion of educational costs. It has adopted a system of grant distribution that enables municipalities and school boards, lacking adequate resources, to provide educational facilities of a standard comparable with those of more favourably situated communities—certainly far above the standard that would otherwise be possible.

Secondly, more generous provincial assistance has made possible a province-wide betterment of teachers' salaries, conditions of work and educational facilities.

Thirdly, the new grants system has eased the burden of municipal taxation on residential, farm and industrial property, and encouraged home-ownership.

An important feature of our new formula is the growth-need factor. The growth-need factor is an innovation. As far as it is known, no other jurisdiction has embodied it in a general grants structure.

Its aim, both in principle and practice, is to direct additional assistance to those rapidly expanding areas that are required to meet sharply increased debt charges and other extraordinary costs. Experience in Ontario shows that the impact of school costs is more serious in communities of rapid growth than in those of relatively stable populations. This has also been our experience in other provincial services. The Ontario formula is therefore designed to provide additional revenue for education in these "growth" municipalities.

In introducing this new grant formula and underwriting a greater share of school costs, the province has sought to foster standards of education that make the most effective use of the intellectual resources and potentialities of our people. We are confident that this objective can be achieved without disturbing the traditional basis upon which our system rests.

Elementary and secondary school education must continue to be a local function; and where there is local direction and control there must also be local financial responsibility. All the lessons and experiences of the past underscore the need for local autonomy.

On the other hand, the province recognizes its own responsibility to provide financial assistance and, therefore, this year is making available this great increase in grants. Next year, as the third stage of its programme, it will undertake to make additional refinements and improvements.

The future of our province depends not only on the success achieved in our elementary and secondary school system, important though that may be. Careful consideration must be given to the needs of our universities which, over the next 10 to 20 years, will be confronted with an avalanche of students seeking to harvest the fruits of higher learning.

To assist the universities, the province in the last 6 years alone has paid out a total of \$27.7 million for the construction of new buildings and the acquisition of new equipment. In this budget provision is being made for an additional \$12 million for capital purposes, bringing the province's total capital grants to universities over a 7-year period to \$39.7 million. With the payment of an additional \$1 million for the new dental college facilities of the University of Toronto, we will have increased to \$5 million the capital funds the province has made available to accommodate this very pressing need.

A special grant of \$2 million will also be provided for the construction of an engineering building and other facilities at McMaster University. Half of this amount will be paid out of this year's revenue as a supplementary estimate. All other universities will be provided with special capital grants.

Provincial grants in support of universities' operating costs will also be increased. They have been scaled up steadily from \$3.2 million 10 years ago to \$9.4 million this year, and in this budget we are increasing them to \$11.2 million. Thus, the province's grants to universities in this budget, both for capital and operating purposes, total \$23.2 million.

PROVINCIAL GRANTS TO UNIVERSITIES PROVIDED IN 1958

<i>Estimates, fiscal year 1958-1959</i>	<i>Maintenance grants (\$000's)</i>	<i>Grants for capital purposes (\$000's)</i>	<i>Total (\$000's)</i>
University of Toronto	6,532	3,000	9,532
for Ontario College of Education	645	.....	645
Queen's University	925	1,000	1,925
University of Western Ontario	925	1,000	1,925
McMaster University	650	1,000	1,650
University of Ottawa,			
for instruction in medicine and sciences	450	1,000	1,450
Carleton University	325	1,000	1,325
Assumption University for Essex College	200	1,000	1,200
Waterloo College associate faculties	150	1,000	1,150
Lakehead College of Arts, Science and Technology	100	.....	100
Ontario College of Art	175	.....	175
Special grant for archaeological research	10	.....	10
	<u>11,087</u>	<u>10,000</u>	<u>21,087</u>
<i>Supplementary estimates, fiscal year 1957-1958</i>			
University of Toronto for new dental building .....	.....	1,000	1,000
McMaster University for engineering building .....	.....	1,000	1,000
Royal Ontario Museum for extension of the arts	100	.....	100
	<u>100</u>	<u>2,000</u>	<u>2,100</u>
Total provincial grants provided in 1958	<u>11,187</u>	<u>12,000</u>	<u>23,187</u>

In addition to this assistance to universities, the province has provided in the current fiscal year \$430,000 for capital facilities at the Lakehead College of Arts, Science and Technology. Rapid progress is also being made on the reconstruction and expansion of the Ryerson Institute of Technology, and in the coming fiscal year \$1.5 million will be provided to further this work.

Our broad educational programme embraces many other forms of assistance. Among these are bursaries and loans to students. In 1957-1958 provincial and provincial-federal bursaries were awarded to 2,200 students at a cost of \$494,000, of which the province contributed \$394,000.

The bursary system is now being expanded and, in addition, we are establishing a student aid loan fund of \$3 million to make available loans to students who require financial assistance to continue their studies.

It is estimated that in the coming year as many as 2,000 students may benefit under this plan. Progress has been made for the construction of facilities for the training of school teachers. The new teachers' college at Hamilton is now occupied and the teachers' colleges at New Toronto and London are nearing completion.

Recognizing the invaluable contribution that our public libraries make to our people, an additional \$115,000 is being made available which will raise our total grants for this purpose to \$1.1 million.

Modern education has become an expensive business. Next year our educational bill will total \$177.3 million, excluding the provision for student loans. That is an increase of \$37.4 million over the appropriation last year, and \$102 million more than that just 5 years ago. I think it speaks eloquently of the province's devotion to achieving high standards of education, and to sharing equitably the burdens of educational costs with the municipalities.

Health

Our health services are continuing to receive most careful study and consideration. The negotiation of an agreement with the federal government and the creation of an administrative organization for the introduction of hospital insurance on January 1, 1959, have been proceeding apace. It is anticipated that an agreement will be signed very shortly.

Under our hospital insurance plan, coverage will be available to all subscribers regardless of their age, condition of health, disability or occupation. All may join and share in its benefits. There will be no limitations on the length of stay in hospital and there will be no cancellable features.

It will, therefore, meet both the requirements of short-term stays in hospitals and the catastrophic hospital burdens often associated with prolonged illness.

Benefits will be provided in all approved public general, chronic and convalescent hospitals, as well as in mental institutions and tuberculosis sanatoria. Insurance coverage will, therefore, be available to patients who are mentally ill or suffer from tuberculosis. Recognized social assistance cases who are unable to pay a premium will be enrolled in the plan and will be eligible for benefits.

Insurance coverage will be mandatory for employees of all firms having a specified number of employees, and while, initially, it will not be mandatory for others, every assistance and encouragement will be given to non-insured employees and self-employed persons to obtain coverage.

The Ontario hospital insurance programme, therefore, offers advantages to people in every walk of life. Despite the fact that the benefits will be far more comprehensive than those available under any existing plan, the premiums will be very moderate, amounting to \$2.10 per month per single person and \$4.20 per month per family. The family rate will cover all dependent children up to and including those 18 years of age.

The revenue from premiums will meet only one-third of the estimated cost of the programme in 1959, amounting to over \$200 million. An additional one-third will be paid from the general revenues of the province, and the remaining third will be contributed by the federal government.

In order to ensure administrative economy with respect to indigent patients, a municipal contribution will be required on a *per diem* basis for every resident-indigent patient in an active treatment hospital. In this way, the support of the municipalities is enlisted to insure that indigents are not kept in hospital at the expense of the hospital insurance fund any longer than is necessary.

As the municipalities are now required to make a statutory *per diem* payment on behalf of such resident-indigent patients, the present practice is simply being continued with this difference: effective in 1959, the province will pay to each municipality a special unconditional

grant that will generally compensate them for their payments on behalf of hospitalized indigents.

Thus, our municipalities will obtain two distinct advantages: they will be relieved of the payments to meet hospital deficits, and they will receive from the province an additional unconditional grant which will in general compensate them for the payments they are making to hospitals for indigents. In effect, the province will be relieving the municipalities of an expenditure now totalling about \$12 million a year.

Hospital insurance is only one phase of the province's many-sided programme to reinforce Ontario's health services. During the past year, the province paid capital grants on an additional 1,400 hospital beds and bassinets. Since the end of World War II, the net increase in public general accommodation, after allowing for the loss of beds through obsolescence and other factors, was 13,000, or 80 per cent.

To give further impetus to hospital construction—which has been made necessary by the growth in our population and the commencement of the Ontario hospital insurance programme next January—we have this year doubled our capital construction grants to hospitals. The province's action coincides with that of the federal government.

The following table shows both the old and the new grants that became payable by the province and the federal government on January 1, 1958:

Beds	Province		Federal		Combined Total	
	Old Rate	New Rate	Old Rate	New Rate	Old Rate	New Rate
	\$	\$	\$	\$	\$	\$
Active treatment	1,000	2,000	1,000	2,000	2,000	4,000
Chronic and convalescent	2,000	3,000	1,500	2,000	3,500	5,000
Nursery bassinets	333½	666½	333½	666½	666½	1,333½
Nurses' beds	1,000	2,000	500	750	1,500	2,750
Internes' beds .....	.....	2,000	.....	750	.....	2,750
Tuberculosis beds	2,500	3,000	1,500	2,000	4,000	5,000
For every 300 square feet of space for emergency and out-patient services and for diagnosis and treatment ..	1,000	2,000	1,000	2,000	2,000	4,000

The expansion in our public general, chronic and convalescent hospitals has been paralleled by the increase in the hospitals for the mentally ill. The new Ontario mental hospital in North Bay was opened in October, 1957, and now offers accommodation for over 750 patients.

Plans are also under way for additional space throughout the province. They include 285 beds at Brockville, 500 beds at Kingston, 150 at Penetanguishene, and 586 at Woodstock.

In addition, the hospital at Thistlethorn, near Toronto, is being renovated to provide residential treatment for emotionally disturbed children.

In accordance with the government's policy of making vaccines as freely available as possible, the government on January 1, 1958, placed the Salk type polio vaccine on the "free biologicals list." Sufficient supplies are now available to make this possible and we are appropriating \$250,000 to pay for it.

The Ontario cancer institute, considered to be the largest cancer treatment and research unit in Canada and one of the finest in the world, is now in operation. An additional \$600,000 has been provided in the supplementary estimates of this year for capital expenses.

In addition, funds are being appropriated to operate the cancer institute, as well as 6 treatment centres at Hamilton, London, Windsor, Kingston, Ottawa and Port Arthur, which possess the "cobalt bomb."

In consequence of these varied health services, expenditures this year, including the supplementary grants to hospitals, will total \$69.1 million, an increase of \$6.6 million over the amount disbursed last year. It is anticipated that even a larger amount will be required in the year commencing on April 1.

Welfare

Notable progress has been made over the past year in extending and improving the province's welfare system. This has taken several forms.

Coincidental with the federal government's increase in old age assistance payments, the province raised its maximum allowance in such cases from \$40 to \$55 per month. This increase was also extended to blind persons and disabled persons.

In addition, supplementary allowances, the cost of which is shared by the province and the municipalities, may also be paid up to the maximum of \$20 monthly.

Excellent progress has been made in expanding the accommodation in homes for the aged and other private charitable institutions. Improvements are also being made in respect to child welfare services.

A new system of nursing and homemakers' services will be brought into operation next year. Many persons who are at present patients in our hospitals are capable of being treated in their own homes, providing nursing care is available. Such a programme will be experimental in the beginning, but should it prove successful, as we have every reason to believe it will, it will produce appreciable economies and savings.

To insure effective operation, the co-operation of the municipalities and organizations, such as the Victorian Order of Nurses and the St. Elizabeth Visiting Nurses' Association, will be required. The services of homemakers will also be made available for those in need. Programmes of this nature may not only achieve economies but also preserve the therapeutic benefits of normal family life.

Measures have been adopted to expand the administrative machinery for providing direct relief to unemployed workers, and also for creating certain types of emergency employment. Until last December, the province reimbursed the municipalities to the extent of 60 per cent. of their expenditures on direct relief to unemployable persons.

However, as a result of a new agreement worked out with the federal government, under which it contributes 50 per cent. of the cost of direct relief to both unemployable and employable persons, the province, on December 1, 1957, undertook to reimburse the municipalities 80 per cent. of their outlays for direct relief.

This new arrangement closes a gap in our welfare programme. It makes it possible to meet the pressing needs of workers who have either exhausted their unemployment insurance benefits or have not been eligible to receive them.

On February 14, 1958, the province also introduced an emergency works programme under which it will reimburse municipalities to the extent of 70 per cent. of their direct labour costs incurred between February 15 and May 31, 1958, on any approved municipal project or work undertaken in the municipality.

The approved projects and works include such activities as repairs to sidewalks, streets, roads and sewers; park and beach clean-up; repair and painting of buildings; renovation of heating and wiring facilities; and tree planting and trimming.

The programme has been designed to stimulate employment for those who are in need, but are able to work and are not eligible for unemployment insurance benefits. It is not intended to provide funds for any projects or work which would be undertaken in the ordinary course by a municipality in the period up to May 31, 1958, and therefore the province's assistance applies only to the amount by which the municipality's expenditure for wages in the period from February 15 to May 31, 1958 exceeds those expenditures for the same type of work or project in the corresponding period in 1957.

This precaution has been taken to ensure that the province would not simply be assuming 70 per cent. of the labour costs of a function that would, in the normal course, be performed by a municipality, but would, in fact, give rise to additional work and employment.

The province's broadening concern for welfare is well illustrated in the increase in its appropriation in 1958-1959 to \$42.8 million—\$7.3 million over its estimated expenditure in the current fiscal year. In fact, welfare, health and education all make heavy demands on our revenues. In the current fiscal year ending March 31, 1958, our expenditure on these services will total \$247 million.

Next year, with the implementation of the broad programme I have just outlined, our expenditure will rise by \$46 million to the unprecedented total of \$293 million. Our appropriation for these services which are devoted to what I call "human betterment" is nearly double what it was 4 years ago.

A BALANCED PROGRAMME FOR EXPANSION AND DEVELOPMENT

I do not have to emphasize that our capacity to support high standards of education, health and welfare is dependent upon the productiveness of our province and nation. We cannot, therefore, be unmindful of those services and policies that contribute to industrial development. Ours must be a balanced programme. Without provincial and municipal services, our communities cannot grow nor can industry expand.

Highways and roads

The importance of highways and municipal thoroughfares to our economic development needs no elaboration. Our highway system not only is an integral part of our industrial structure, but underlies our whole social and economic way of life. Last year, motor vehicle registration increased by 5 per cent. or 90,000 vehicles.

To cope with this mounting traffic, aggravated by the addition of a million vehicles in the last dozen years, we have undertaken a construction programme that is unprecedented. During the current fiscal year, the province of Ontario is spending a total of \$230 million on highways and municipal roads, of which \$67.2 million is for maintenance and \$162.8 million for capital. These expenditures include \$57.7 million payable to the municipalities in subsidies, of which \$35 million is for new construction.

When the municipalities' own share of road expenditure is taken into consideration, the total expenditure on highways and municipal roads in Ontario in the current fiscal year, ending March 31, 1958, will have been \$288 million. Of this total, \$198 million is for capital purposes.

This highway programme is being continued. Our appropriation next year totals \$252.8 million, composed of \$73.2 million for maintenance and \$179.6 million for capital, including \$61.4 million for municipal subsidies, of which \$24 million is for maintenance and \$37.4 million for capital construction.

Ontario Hydro

The Hydro Electric Power Commission of Ontario has also contributed immeasurably to our development. Today, Ontario Hydro operates 65 hydro-electric and 2 major thermal generating stations, having a dependable peak capacity of 5.7 million horse power. With the addition of purchased power, Ontario Hydro has a dependable peak capacity of 6.5 million h.p. That is a 3-fold increase since the early World War II years.

Each year, additional capacity is being brought into operation to meet Ontario's requirements. Last year alone the increase was 391,000 h.p., principally as a result of bringing into operation two additional units at the Sir Adam Beck generating station. By 1962, it is expected that the commission's dependable peak capacity will reach 9 million h.p. A major contribution to this increase will, of course, come from the St. Lawrence power development that is now over 80 per cent. completed, and from which the first power is expected to be delivered next August. By the end of 1958, 6 of the 16 units are expected to be in service. When completed, this project will generate 1.1 million h.p. for Ontario.

Other new generating stations or additions to established plants are planned or under way at White Dog Falls on the Winnipeg River, Manitou Falls and Caribou Falls on the English River, Silver Falls on the Kaministiquia River, at the Alexander and Cameron Falls plants on the Nipigon, at Red Rock on the Mississagi River and at the site of the Abitibi Canyon generating plant. In addition, work is progressing at the thermal station in Toronto to triple its size and plans are being prepared for electric power thermal stations at Fort William, Long Branch, and Hamilton. Simultaneously, research is being undertaken in the development of nuclear power plants.

The vast programme that Ontario Hydro has had under way has involved a capital expenditure in the past calendar year of \$247 million including \$40 million of expenditure on frequency conversion. To assist the commission's post-World War II development, the province has either issued its own bonds or guaranteed Ontario Hydro securities to the extent of \$1.3 billion.

Natural resources

Many projects involving the conservation and development of our natural resources are being carried forward. With the growth in population, not only here but abroad, one cannot but be optimistic of our economic prospects. This applies equally to agriculture, mining and

forestry. The favourable natural resource-population ratio we enjoy and the unfolding world need for our strategic resources present unrivalled opportunities for increasing our productive power and our living standards. It is always well, however, to bear in mind that the prosperity of our natural resource industries depends upon the fortunes of our export trade and this necessitates that our costs, whether they arise from private or public services, should be such as to keep our price structure internationally competitive.

In the important field of natural resources, the province's policies must be founded upon both long-term and short-term considerations. Conservation as well as development must be an objective.

In agriculture, as in other natural resource fields, the province has kept these fundamentals in mind. Emphasis has been placed upon the adoption of scientific methods. At the Ontario Agricultural College and the Ontario Veterinary College a large-scale expansion is being undertaken to modernize and improve teaching and research facilities. During 1958-1959, we are providing for these colleges and the agricultural schools \$6.6 million for maintenance and \$4.1 million for new capital construction, or a total of \$10.7 million—far in excess of our appropriation a few years ago.

Through education, research, field extension work, mechanization and farm marketing every effort is being made to improve the well-being of this important sector of the Ontario economy. Since the end of World War II, electric power has been extended to farmers at an accelerated pace. Including the 28,000 who have been connected for service in the past year, nearly 300,000 rural customers have been supplied with hydro-electric power since 1945 at a cost in provincial subsidies of \$90 million. It is anticipated that with the plans that are now being made, 27,000 additional rural customers will this year be connected for electric service for the first time.

As a result of a change in the regulations governing rural power extensions, the Ontario Hydro commission will now instal the first two-thirds of a mile of line free to an established farmer instead of the former limit of one-third of a mile. Several thousand farmers will benefit from this new policy. Two-thirds of Ontario Hydro's rural customers have been connected for electrical energy in the last dozen years. So rapid has been the rate of progress that 94 per cent. of Ontario's farmers now have electric power compared with only 32 per cent. in 1941.

The decision handed down by the Supreme Court of Canada in January, 1957, removed doubts about the legality of the farm marketing policy. The sale of 28 crops was accomplished through 16 collective bargaining plans, while other produce was sold under the provisions of 3 single sales agency plans. The 1957 tobacco crop is being handled through the new Flue Cured Tobacco Growers Marketing Board and Ontario's wheat crop is also to be brought under the control of Ontario's Farm Marketing Act. Every effort is being made to improve marketing arrangements.

The province is continuing to make loans to settle young farmers on the land. Under The Junior Farmers Establishment Loan Act, 562 loans, involving a total of \$4.1 million, have been made in the twelve months ended January 31, 1958. Since the inception of the plan in 1952, 2,629 loans, having an aggregate value of \$18.2 million, have been made to young farmers. These, of course, are capital items, and except for administration, are not included in our ordinary expenditures which next year for all purposes will total \$14.1 million, an increase of \$1.3 million over this year's expenditure.

In forestry and mining, our objective is sound management. This involves a many-sided programme to which only the briefest reference can be made. As part of our policy of development and conservation we have undertaken several projects, some in co-operation with the federal government, to make our resources more accessible, to enhance their value and to create employment opportunities in the northern regions of the province. One means by which these objectives are being served is through the construction of new access and inter-community connecting roads.

For our next fiscal year we are again providing an appropriation of \$1 million for access roads into mining and logging areas and one of \$800,000 for forest management roads. Forest regeneration is being expanded and every encouragement is being given to private operators to undertake similar programmes. The appropriation for The Department of Mines is being increased from \$2.6 million to slightly over \$2.7 million, while that of The Department of Lands and Forests is being increased by \$5.5 million, from \$20 million to \$25.5 million.

Many flood control and storage dams and remedial works are being carried out. Nineteen conservation authorities are now established in the province, including two new authorities, one on Junction Creek and the other in the North Grey region. Nearly 300 municipalities are taking part in the valuable work done by these groups. The Conestogo Dam on the Grand River is now virtually completed. Work on a number of other smaller projects has also been advanced or completed with the result that the total expenditure during the year on such projects was \$4.9 million. During the coming year, the completion of a larger volume of work is anticipated, for which an appropriation of \$7 million is being provided.

Provincial parks

Few policies of the province are, in the long run, likely to prove more rewarding than the establishment of provincial parks under the policy introduced by this government two years ago. A St. Lawrence parks system is being created which will extend from the Bay of Quinte to the Ontario-Quebec boundary. Among the parks acquired are the Sibbald Point Park at Lake Simcoe and the Pinery, a 4,000-acre tract on Lake Huron. Negotiations are also proceeding which are expected to result in the addition of over 20 other parks which will raise the total number of parks under provincial operation to 115. To advance this parks policy, we are placing \$5.8 million in our estimates for capital purposes.

Provincial assistance for water and sewage works

Through the Ontario water resources commission, which was established in 1956, contracts have been let to a value of \$9.1 million as of December 31, 1957, to build sewage and water systems in certain communities.

At present 3 commission-built water supply systems are in operation at Port Perry, Sunderland and Havelock, while others are under construction in 5 other communities, namely, Bancroft, Harrow, Richmond Hill, Dresden and the town of Essex. Water test drilling is proceeding at Winchester and in Markham township. The commission has sewage projects under way at Toronto township, Stratford, Streetsville, Trenton and Richmond Hill. Agreements have also been executed with 6 municipalities in the county of Essex for integrating a water pipe line system from Lake Erie.

In addition, a number of other projects, involving an additional cost of \$6 million, are nearing the agreement-signing stage. These involve sewage and water facilities for Frankford; sewage plants for Brantford and Tillsonburg; water for Alfred; sewage for Korah township; and an integrated sewage system for North Bay and the townships of Widdifield and West Ferris.

Housing

In contrast to the recent downward trend in some lines of activity, the volume of housing construction, spurred by easier credit conditions, additional public funds and lower down payments, moved into high gear. The result was that despite the slow beginning, the number of housing starts at the close of the year was only 2 per cent. less than that at the end of 1956. The sharp upturn in housing activity from September on augurs well for 1958.

As in past years, we are participating with the federal and municipal governments in various serviced land assembly and other housing projects. During the past year, Ottawa, Windsor, Sudbury and London entered into serviced land assembly schemes. Thus, by the end of 1957, there were 59 land assembly schemes and 44 housing projects in operation across the province. Thirty-five new projects of both types were undertaken in the past year—more than in any previous year.

The assembly phase of Scarborough's Malvern project, covering 1,663 acres, has been virtually completed, while another 600 acres in Etobicoke is under study for development, all assembly having been completed. In many communities, the serviced land provided under the tri-level government programme is the only suitable property available for large-scale residential construction.

Many units in both the Lawrence Heights and Regent Park South housing projects have already been completed and are now occupied by tenants. When fully completed, these two rental housing undertakings alone will provide 2,000 new dwelling units in the Metropolitan area.

A start on the 105-unit addition to the Regent Park South project has been advanced to February from the original starting date which was to be next autumn. While the project will

also provide a substantial addition to the new housing supply ahead of schedule, it also affords on-site jobs for some 200 workers.

The amount of \$5.8 million is being placed in the Estimates in 1958-1959 for the province's varied housing activities.

PROVINCIAL ASSISTANCE TO MUNICIPALITIES

I come now to a subject of unsurpassed importance. I refer to the measures taken by the province to assist the municipalities in carrying out their local services. The same forces of growth and expansion which have imposed such heavy burdens upon the province weigh with equal severity upon the municipalities, who, with their long history of experience and intimate knowledge of local conditions can alone provide efficiently a range of public services that are indispensable to our people. Recognizing their administrative advantages in many fields, we have sought not to take over their services but, on the contrary, to strengthen and invigorate them.

In recent years, we have increased our financial assistance to municipalities, school boards and other local agencies many times, and this budget provides for another increase—an increase that is without parallel, an increase that exceeds last year's appropriations by \$45.3 million and that raises the level of our assistance to a record of \$260.1 million. Given legislative approval of this budget, we shall pay to the municipalities and other local agencies over 40 per cent. of next year's revenue. That is a striking fact. It means that the money we make available to them out of our revenue is equal to over half the total municipal tax levy in this province.

We, therefore, have in operation today a partnership system that is very much different from that of a decade and a half ago. As we have said elsewhere, virtually all the revenue that we receive from the 3 major direct tax fields—namely, corporation and personal income taxes and succession duties—is transferred to the municipalities.

By far the largest increase in our assistance this year goes to local education. This budget provides for payments to boards of education totalling \$133 million, an increase of \$33 million over those last year.

Recognizing that the municipalities are confronted with pressing needs for improvements to their thoroughfares, we have endeavoured to match their needs with grants. In this fiscal year ending March 31, 1958, we will have paid out \$57.7 million in municipal road subsidies and we are proposing to raise that amount next year to a total of \$61.4 million.

We are anticipating that the unconditional per capita grants—first introduced in 1954 and greatly advanced last year—will amount to \$21.6 million this coming fiscal year. These have been increased by 70 per cent. or by \$9 million in the last two years. Mining municipalities, in addition to sharing in the general grants distribution, will receive next year special grants of \$3.5 million, an increase of \$1.1 million.

Provincial assistance under various welfare schemes is being extended. Last year, the municipal share of direct relief cost was reduced from 50 to 40 per cent., and recently, as a result of a satisfactory arrangement with the new government in Ottawa, we have been able to cut the municipal share of direct relief costs to 20 per cent.

Payments for unemployment relief are, of course, no substitute for work and wages. For this reason, we have devised, in co-operation with the municipalities, a plan to provide immediate employment for those able to work who are in the greatest need. We have undertaken to reimburse the municipalities to the extent of 70 per cent. of their direct labour cost which they incur between February 15 and May 31, 1958, on special projects or works. As the plan is designed to create additional work and give immediate employment in lieu of direct relief, the province's contribution will apply only to those projects which would not normally be undertaken by the municipalities during these months. The province's assistance will therefore apply only to the amount by which the municipalities' expenditure for wages in the period from mid-February to the end of May, 1958, exceeds those expenditures for the same type of work or project in the corresponding period of 1957. To finance this programme, which is open to all municipalities, the province will introduce a Supplementary Estimate of \$5 million.

The province's share of medical costs for persons on unemployment relief has been raised by one-third—from 60 to 80 per cent. and we have also assumed 80 per cent. of the total cost of tuberculosis after-care, formerly wholly borne by the municipalities.

We have also increased our maintenance contribution to municipally-operated homes for the aged and undertaken as well to meet 75 per cent. of the deficits of charitable institutions providing accommodation for the aged.

In many other ways, the province has fostered the development of community services. It has set up the Ontario water resources commission to undertake on behalf of the municipalities the construction and operation of water and sewage facilities. It has also established the Ontario municipal improvement corporation which, since its inception in 1950 has purchased \$43.6 million of debentures of nearly 150 municipalities. In this manner, funds have been made available to municipalities that either were unable to borrow at all or could not borrow on satisfactory terms.

NEED FOR PROVINCIAL REVENUE

While we are gratified by the additional revenue we are receiving from the interim adjustment in our tax sharing arrangements with the federal government, it is apparent that if we are to meet our heavy obligations and responsibilities we must obtain still additional sources of revenue. The demands which our growth and development impose for highways, thoroughfares, schools, hospitals and a host of other things seem almost insatiable. We are faced with pressures not only to expand our own services, but to give financial assistance to our municipalities far beyond anything heretofore imagined. Our need for revenue is revealed no more clearly than in the rise of \$99.6 million in our net debt this year. Next year, confronted as we are with a massive capital investment programme, it will no doubt be higher.

We could quickly resolve our deficiency of revenue on overall account by radically paring our capital expenditures. However, as long as we are in this expansive phase and there is a pressing need for provincial and municipal services as well as opportunities for work and wages, such a course would not, I am confident, command the serious consideration of any hon. member of this Legislature.

It has been estimated that over the next 20 years the province and our municipalities will require not less than \$11 billion of new capital works and projects. The figures may not be exact in detail, but no one will question the magnitude of the task which is before us. Consider our growth in population, the remarkable increase in the number of births in this province and the rising tide of young people who will soon be entering our elementary schools and then moving up to the secondary grades and on to university. Visualize the many other demands that this mounting avalanche of young people will make for other services. The question is not whether we are faced with a continuation of this staggering capital programme; the only question is where the money is coming from. The money, of course, in the end has to come from taxes and they should be progressive taxes directly related to the developmental projects which we are fostering and servicing. These developmental projects and works produce employment, wages and general benefits for our people. Thus, it is from progressive taxes, geared to these projects, that our revenue should come.

A large proportion of the income generated by the capital works we are undertaking will accrue to the federal government in individual and corporation taxes, sales tax and customs and excise taxes. Because the federal government occupies by far the largest share of the direct fields of taxation, their revenues respond to and reflect the expansion and development of this province. Their soundest course is, therefore, to share equitably with the provinces the major direct sources of taxation. The revenues thus made available to the provinces and devoted to sustaining a high rate of development will create new freshets of federal revenue and multiply the returns to them many times.

Ontario has made it plain that the province's share of the main direct tax fields should not be less than 15 per cent. of the federal personal income tax, 15 percentage points of corporation income and 50 per cent. of federal succession duty collections in each province. We believe this to be the minimum. Our revenues should come from our development. We should not be forced into the untenable position of supporting expansion by regressive types of taxation. I have said that Ontario needs \$100 million in direct taxation. The recent federal-provincial adjustment in individual income tax has benefited us to the extent of \$22 million annually. Our revenue needs determine our goal, which is 15, 15 and 50.

NO NEW TAXATION

Despite the huge capital construction programme which we have under way and its effect on our overall revenue-expenditure position, I am very pleased to announce to the House that there will be no new taxes or increases in rates. On the contrary, I am happy to state that

through a change we have effected in our method of allocating corporation profits between the provinces, we have succeeded in avoiding any question of duplicate taxation arising from the two different systems of profit allocation that are in use in this country. An amendment to The Corporations Tax Act, 1957, will be introduced that has the effect of confirming regulations made under the Act since the last session. These regulations remove any possibility of any corporation that carries on business in Ontario as well as elsewhere having to pay tax to Ontario on any part of its income that is also taxable in another province. Complementary regulations have been made under The Income Tax Act (Canada). These latter regulations allocate the corporate income amongst the provinces of Canada in exactly the same proportions as apply under the Ontario Act.

Elsewhere, I have referred to the need for an adjustment in our tax sharing arrangements with the federal government that will make available to this province additional revenues which arise from our production and development. The first meeting of the federal-provincial conference held last year demonstrated the fruitful results that can be achieved in this field in an atmosphere of understanding and co-operation. We are very hopeful that with a continuation of these good relations a workable solution will be effected, enabling all levels of government to proceed with the challenging tasks which lie ahead.

FEDERAL-PROVINCIAL RELATIONS

Since we last met, a new federal-provincial conference has been convened. The first meeting of this conference, a preliminary one, was held on November 25 and 26. The attitude of the federal government was cordial and receptive, and from that preliminary meeting already have come several measures that are of benefit to this province and its people. No other federal-provincial conference has produced such quick results.

Of benefit to Ontario—particularly at this time—is the change effected in the method of sharing the cost of unemployment relief assistance. The former Canadian government was willing to share the cost of relief for employable persons, that is above .45 per cent. of the provincial population, but it was not prepared to contribute towards the cost of relief for unemployable persons. Ontario properly maintained that if the province was to assume half the cost of relief to employable persons—those above this “threshold”, which authorities have agreed is primarily a federal responsibility—the federal government should bear half the cost of relief for those below it. In the circumstances, Ontario refrained from signing an agreement. Happily, at the November meeting of the federal-provincial conference, this “threshold” was removed and Ontario has now entered into an agreement which provides for equal sharing of all relief costs.

Three advantages devolve from this agreement: first, it establishes an orderly system for providing direct relief to indigent employables; second, it eliminates the arbitrary and invidious distinction between unemployables and employables; and third, the province has reduced the municipal share of relief costs from the former rate of 40 per cent. to 20 per cent.

Another achievement of the November conference relates to hospital insurance. Hon. members will recall that the federal Hospital Insurance and Diagnostic Services Act contained a provision governing the time of commencement of the federal government's contribution. In effect, the Act provided that the federal government would not contribute until at least 6 provinces containing at least half the population of Canada had entered into agreements and had Acts in force. This condition made it very difficult, if not impossible, for us to make plans and enter into all the commitments necessary to bringing the Ontario programme into operation on January 1, 1959. The uncertainty of whether or not there would be 6 provincial hospital insurance plans in effect and entitled to federal contributions was an unnecessary inhibition to progress. The government of Canada has now given assurance that this restriction will be removed. An agreement will shortly be signed, and the Ontario hospital services commission is now able to proceed with the strengthening of its administrative organization and its arrangements with all persons who wish to enrol in the plan and participate in its benefits.

The federal government's increase in capital grants for hospital construction, which became effective January 1 of this year, is also an illustration of the understanding and co-operation that have pervaded these discussions. We have recognized for some time that with the rise in construction costs, these capital grants for hospitals, which the province pioneered in 1947, left proportionately too heavy a burden on the local hospital boards and municipalities. We therefore made representations to the federal government that their grant should be increased and that if they could entertain this proposal favourably, we would increase our capital grants accordingly. Thus, upon the announcement of the federal

government that, effective January 1, 1958, their grants would be approximately doubled, we took similar action.

Still another advance in the field of federal-provincial relations is the amendment to the Tax-Sharing Arrangements Act, which increases from 10 to 13 per cent. the standard rate of individual income tax. Hon. members will recall that prior to this amendment, the best arrangement that we could obtain was a formula which provided for a standard rental rate or tax abatement of 10 per cent. of federal income tax, 9 percentage points of corporation income and 50 per cent. of succession duty collections in each province. In the light of Ontario's rapidly growing needs, we could not accept these rates as an equitable or realistic basis of tax sharing. We submitted that the standard rates should be increased to 15-15-50, capable of yielding this province \$100 million more revenue annually. These rates remain our objective. But meanwhile, we have obtained this interim adjustment in the form of an increase from 10 to 13 per cent. of the federal personal income tax collections in the province, which under our rental agreement, will yield an additional \$22 million in the coming fiscal year 1958-1959.

In passing, it may however be noted that as a result of the reduction of the federal individual income tax rates which came into effect last January, the new standard rate, which is adjusted in accordance with any change in federal individual income tax rates, exemptions, or deductions will become something over 14 per cent. This increase in the standard rate does not yield the province any additional revenue, but it does protect the province against the decline in its rental payment which would in the normal case result from the reduction in federal income tax rates effected at the beginning of this year. By tying the standard rate of tax abatement to the federal income tax rates of 1956, we have safeguarded the province against a loss in revenue in our next fiscal year of over \$7 million.

It might also be pointed out that virtually all the revenue we obtain from the three major direct tax fields, namely, corporation and individual income taxes and succession duties, is paid over to the municipalities, the school boards and other local agencies. While next year, our revenue from these three sources will be somewhat higher by reason of the increase in the standard rate of individual income tax, all this revenue and more will be paid over to the municipalities and local school boards. The municipalities have, in fact, been the principal beneficiaries from the fruitful results that we have achieved recently in our federal-provincial negotiations.

FORECAST OF REVENUE AND EXPENDITURE FOR 1958-1959

We are budgeting for increased expenditures next year on both ordinary and capital accounts. Net ordinary expenditure of \$598.9 million—including \$17.9 million for sinking funds, \$20 million for highway construction account, and \$23 million to be applied against capital expenditures—is forecast for 1958-1959.

This will be an increase of \$70 million over the current year's expenditure after excluding, in both years, the appropriations for highway construction account and the amount to be applied against capital expenditure. The largest increases occur in education, \$34.6 million; health and welfare, \$11.2 million; and highway maintenance, \$6 million.

In the coming fiscal year our major spending departments on ordinary account will be: education, \$177.3 million; highways (for maintenance purposes including municipal road maintenance subsidies), \$73.2 million; health, \$73 million; welfare, \$42.8 million and municipal affairs, \$27.6 million.

An expanded capital investment programme is expected to require \$241.7 million in 1958-1959—\$26 million more than in 1957-1958. Appropriations for highways and roads, including municipal subsidies, will be increased to \$179.6 million—\$17 million more than a year ago, while those for public works and buildings, including new hospital construction, will amount to \$51.1 million. We have also provided \$4.2 million for conservation.

In total, it is estimated that our combined net ordinary and net capital expenditure (including \$17.9 million for sinking funds and \$20 million for highway construction account) will amount to \$817.6 million in 1958-1959.

Obviously, in appraising our sources of revenue, consideration must be given to our economic prospects. The effects of the decline in corporation profits, which commenced in the third quarter of 1956, are reflected not only in the reduction in our revenues from corporate sources this year, but also next year. One bright spot is the additional \$22 million which it is anticipated Ontario will obtain under its personal income tax rental agreement with the federal government.

Taking this additional revenue into account, we are forecasting a total net ordinary revenue in 1958-1959 of \$599.2 million. This is an increase of \$17.1 million over our estimated ordinary revenues in 1957-1958.

The principal revenues forecast for 1958-1959 are: corporation taxes, \$147 million; rental of individual income tax, \$87 million; gasoline and diesel fuel taxes, \$145 million; motor vehicle licenses, \$53 million; liquor control board profits, \$65 million. The forecast of revenue and expenditure is shown in detail on pages A12 and A13.

CONCLUSION

Mr. Speaker, the coming year will bring its problems, but I am confident that they will not be unmanageable. It is true that in some lines of activity we have more productive capacity than is needed to satisfy demand. But this pause in the upward momentum of demand is temporary.

As I have said, the North American market alone is growing by 3.5 million persons a year, and that of the world at large by many more. There is an ever-widening search for higher living standards.

In this province and nation we have great resources, productive capacity and skilled management and labour. The world has need of them all. We cannot, of course, force our customers to buy our products. Nor can we be content to sit back and wait for time to provide solutions.

In our dynamic economy there are bound to be dislocations which give rise to unemployment and loss of income. We cannot avoid them. They are inescapable aspects of life. But there are many things we can do. We can, and must, improve our productive efficiency. We can try for those measures and methods that will improve and not impair our competitive cost position. There will be additional time and opportunity for research, aimed at product improvement and lower costs. Let us use them.

Together, government, business and labour can push ahead with new ventures and projects which will ensure that while some industries are contracting, others are expanding. In this way the utilization of our resources can be maximized.

To achieve this, let us accept the fact that adjustments and therefore adaptability are essential. Let us learn to live with them. Let us keep in mind that our interests are indivisible, and that the indispensable ingredient of success in maintaining a sustained rate of economic growth is the preservation of public confidence.

This does not mean burying our heads in the sand. It does not mean we can dispense with sound financial and economic planning. It simply means that fear and anxiety can sap our strength and undermine our well-being. There are many strong forces in our economy that favour a continuation of our vigorous growth. Our united policy should be to encourage those forces.

Three years ago, when I delivered my last budget, I said that I believed we were on the threshold of great things. I pointed out that we had increased living standards by a substantial margin, that we had strengthened personal and family security, and that there was no reason why we should not in the next dozen years surpass those achievements.

The necessary conditions that I laid down then for the achievement of those objects are still applicable. Let me remind hon. members of them.

First, I said, it would be necessary to maintain an economic environment that fosters confidence, that is both friendly to new ideas and adaptable, and that encourages industrial expansion and preserves the right of earning and retaining just rewards.

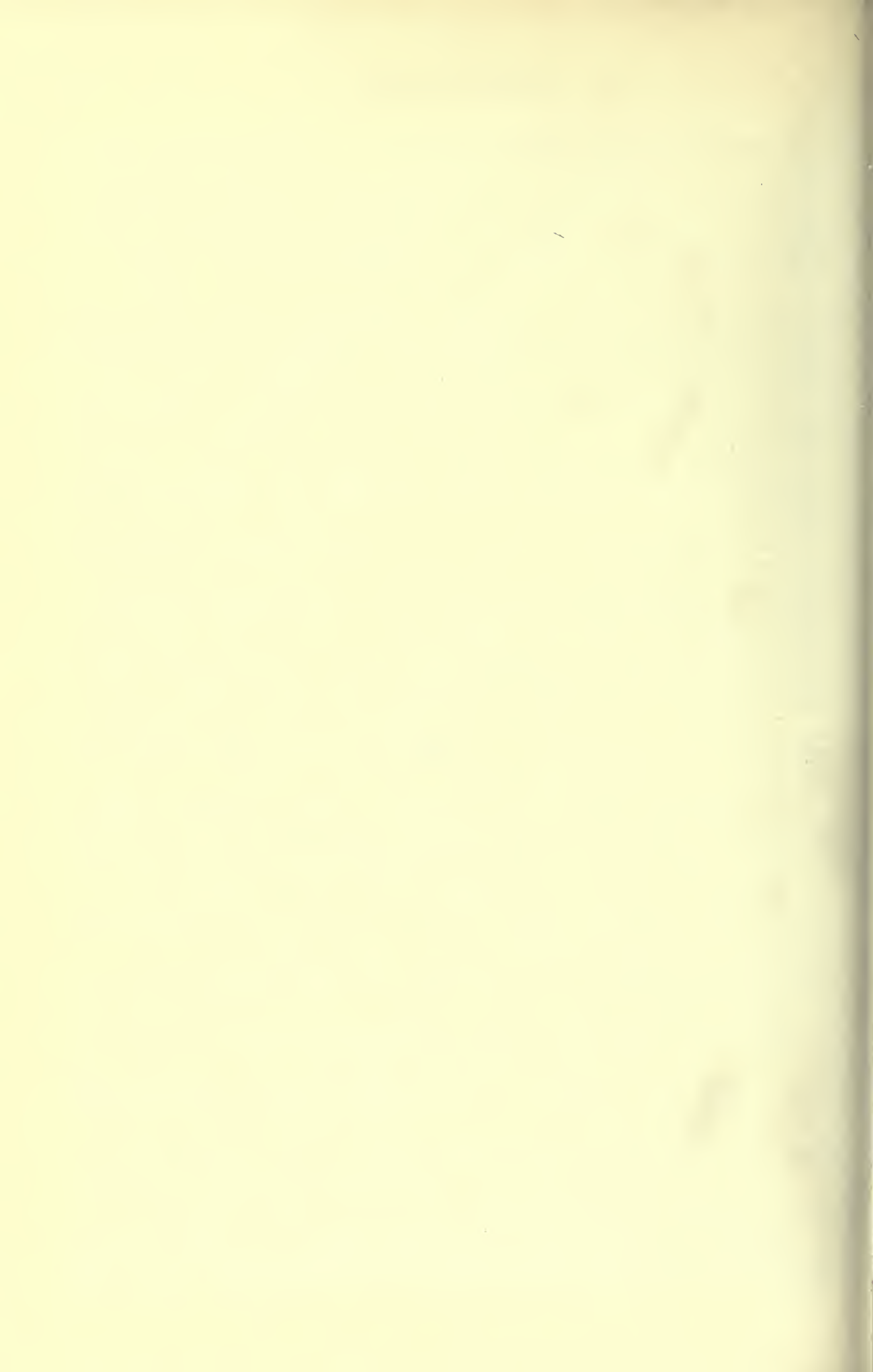
And then, bringing the government's sector into focus, I said, secondly, that we should exercise common sense and recognize that if we wish more public services, we must be prepared to pay for them.

Thirdly, I held that we must maintain public confidence in our securities and keep our credit standing bright and clean.

Fourthly, I was convinced that while undertaking the great development work that would increase the efficiency and productivity of our workers and our industry, we should keep our taxes as low as possible.

Those were my views at that time; they are still my conviction. If we follow this course and work in unison with our trading partners, I am confident that we can achieve those higher living standards and make the fruits of our progress available in an ever-widening circle.

The first of the three volumes of the History of the City of Boston, published by the City of Boston, contains the history of the city from its first settlement in 1630 to the year 1780. The second volume contains the history of the city from 1780 to 1830. The third volume contains the history of the city from 1830 to the present time. The history of the city is divided into three periods: the first period is from 1630 to 1780, the second period is from 1780 to 1830, and the third period is from 1830 to the present time. The first period is the most interesting, as it contains the history of the city from its first settlement to the year 1780. The second period is also interesting, as it contains the history of the city from 1780 to 1830. The third period is the least interesting, as it contains the history of the city from 1830 to the present time. The history of the city is a very interesting and important subject, and it is well worth the study of every citizen of the city. The history of the city is a very interesting and important subject, and it is well worth the study of every citizen of the city.





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Thursday, February 27, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, FEBRUARY 27, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Clerk of the House: Mr. J. A. Maloney, from the standing committee on private bills, presents the committee's third report and moves its adoption.

Your committee begs to report the following bills without amendment:

Bill No. 7, An Act respecting the city of Waterloo.

Bill No. 12, An Act respecting the Royal Victoria Hospital of Barrie.

Bill No. 23, An Act respecting the Lakeshore district board of education.

Bill No. 38, An Act respecting the village of Long Branch.

Your committee also begs to report the following bills with certain amendments:

Bill No. 16, An Act respecting Waterloo College associate faculties.

Bill No. 18, An Act respecting the town of Thorold.

Bill No. 19, An Act respecting the city of London.

Bill No. 24, An Act respecting the board of education for the township of North York.

Motion agreed to.

Mr. Speaker: Motions.

Hon. L. M. Frost moves, seconded by hon. Mr. Dunbar, that, notwithstanding any application which rules 8, 9 and 14 may have to this motion, any hon. Minister of the Crown, in presenting his estimates to the House, may occupy a seat in the front row of the House, and may have two members of his staff seated in front of or adjacent to him, to supply the information required by the hon. Minister.

He said: Before you put the motion, Mr. Speaker, may I say that it is not my inten-

tion to call any estimates till at least next Wednesday, and that this motion might be put in the rules of the House rather than having it necessary to pass it each year. The procedure has been the custom in the past, and I think a very good one.

Motion agreed to.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

Annual report of the commissioner of the Ontario provincial police, from January 1, 1957, to December 31, 1957.

Mr. Speaker: Before the orders of the day, I would like to welcome to the assembly this afternoon a group of students from school section No. 9 Esquesing township, in Halton county; students from Trans Lake Club from Northern Technical Commercial School, Toronto, and the United Nations Club from J. W. Sexton High School, Lansing, Michigan.

We also have teachers from the Toronto Teachers' College and a large group of teachers from my own constituency (Dufferin-Simcoe) and that of Mr. Root of Wellington-Dufferin, and we welcome these groups who are here today to view the proceedings of the House.

Introduction of bills.

THE GAME AND FISHERIES ACT

Hon. C. E. Mapledoram moves first reading of bill intituled, "An Act to amend The Game and Fisheries Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in section 1, the privilege given to farmers to hunt or trap fur-bearing animals other than beavers on their own lands is being extended to include beaver.

Section 2, subsection 13, in the Act now prohibits the possession of any game by any hotel or public eating place except on the authority of a licence. The section as re-enacted would permit the possession in such places, without a licence, of pheasants which have been procured from a person who is licenced to propagate or sell pheasants.

In section 3, these provisions which relate to the licencing of tourist outfitters are deleted,

as they are being dealt with under The Tourist Establishment Amendment Act, 1958.

Section 4: a present requirement that non-resident hunters must be accompanied by a licenced guide is removed, except in the case of the district of Rainy River.

Section 5: the purpose of this amendment is to bring non-residents within the prohibition respecting firearms.

Section 6, subsection 1: the fees for the 4 types of fur dealers licences are reduced from \$25, \$100, \$200 and \$200 to \$5, \$25, \$50 and \$50 respectively.

Subsection 2, relating to the fees for tourist outfitters, is deleted. Hon. members can see the note to section 3 of the bill.

Section 7: provision is made for the shooting of muskrat or beaver on terms and conditions.

Section 8: provision is made for permitting the placing of traps within 5 feet of a beaver house during the open season for beaver. The present Act prohibits this practice.

Section 9: the reference to bull moose is obsolete and there are now open seasons for all moose.

Section 10: the species of fish known as flake is added to the species of game fish enumerated.

Section 11: the subsection is amended by replacing the word "designated" with the word "used" in order to clarify the intent.

Section 12, subsection 1: the new clause authorizes the making of regulations providing for and establishing a programme to promote the safe handling of firearms by hunters.

Hon. J. N. Allan (Minister of Highways): Mr. Speaker, before the orders of the day I wish to take this opportunity to make a statement of interest not only to the hon. members of this House, but also to the people of the province.

The Department of Transport, in the course of its continuing supervision of the examining and licencing of drivers throughout the province, has discovered certain irregularities in the obtaining of drivers' licences.

The office of the department requested the Ontario provincial police and the Metropolitan Toronto police force to conduct an investigation.

As a result, charges have been laid against an appointed driver examiner. The driver examiner involved is not an employee of the department, but rather an agent appointed to conduct drivers' tests pursuant to The Highway Traffic Act. The investigation is continuing, and the department will be pre-

pared to examine those persons who have been granted licences by this examiner during the period of irregularities.

Fortunately, the plans of the department had already been completed for driver examination by civil servants in the area affected, and are presently being carried out.

Mr. A. J. Child (Wentworth): Mr. Speaker, before the orders of the day I would like to direct a question to the hon. Minister of Labour (Mr. Daley), concerning an article in the *Hamilton Spectator* of Tuesday, February 25 which says:

MIGHT AS WELL ABOLISH THE OFFICE, SAY
BRICKLAYERS OF LABOUR MINISTER.

Hamilton's 450 - member bricklayers' union has told Prime Minister Frost that the office of the Ontario Minister of Labour might well be abolished. The union, enraged since last fall at names it was called in connection with an arbitration report, has complained to the Prime Minister that it has been put off with childish subterfuge by the Minister's office, in trying to get an investigation. Says the union: "It is the general attitude of the PC party towards labour that results in our receiving such shoddy treatment from the party's Minister of Labour.

Mr. Speaker, in view of the prominence given this particular article, and the headlines, it is quite conceivable that many people might interpret the statement to be 100 per cent. accurate.

Speaking as a Progressive-Conservative member for Hamilton, frankly I know this is not the case, it certainly is not the government's policy towards labour.

As a matter of fact, I feel that in many cases it is continually amending and passing legislation to strengthen the hand of the labour movement in Ontario.

However, since the bricklayers' union has made a complaint formally and through the newspapers to the public, I would like to ask the hon. Minister if the union, in his opinion, is justified in asking for an investigation.

If there has been a delay, what is the reason for it?

Thirdly, if an investigation is necessary, when will it be completed?

Hon. C. Daley: (Minister of Labour): Mr. Speaker, that is quite a question.

Mr. R. Whicher (Bruce): He is going to abolish himself.

Mr. MacDonald: Self-extermination.

Hon. Mr. Daley: I would say, at the outset, in answering the question of the hon. member that The Labour Relations Act, and amendments which have been adopted year after year by this government, have done more for the construction trades, and given them greater ability to negotiate, than they ever enjoyed before, and they are the people who appreciate it. This union evidently does not, but that is a fact.

This is a dispute between the bricklayers and the Canadian porcelain ceramic workers. It is strictly jurisdictional—a dispute as to which union is going to lay certain materials. It is a very difficult problem.

Their complaint about me was that the ceramic workers, I believe, appeared before the select labour committee and made certain representations. At least, it is claimed they said certain things derogatory to the bricklayers, and the bricklayers did not like it.

Now, I do not know whether or not they want me to hold their hands and let them cry on my shoulder, but I am not here for that purpose. It is a jurisdictional dispute, and a question that I feel should be settled between the two unions.

For instance, a building that formerly was sheeted with wood siding now, because of new materials and new developments, might be sheeted with metal siding. Therefore, the carpenters claim it because they once sheeted it with wood; the tinsmiths claim it because it is sheeted now with metal, and who can decide questions of that nature? Solomon in his heyday would not have been able to answer that question satisfactorily.

Mr. Whicher: He had some pretty good days.

Hon. Mr. Daley: He could not have decided it satisfactorily during the best day he ever had. I do not think it is my job to try to decide it.

I think it is a matter of common sense for these unions to get together, to decide who is to use the new materials.

To the hon. member, I cannot say that I can answer his question. There are difficulties in this problem but it is not one for The Department of Labour to rule on. Somewhere, it has been said that I had called the bricklayers some names. I never called them any names, but right now I can think of some.

Mr. D. C. MacDonald (York South): Before the orders of the day, I would like to address a question to the hon. Minister of Public Works (Mr. Griesinger).

Employees of The Department of Public Works are supposed to receive their pay on the tenth and the twenty-fifth of the month. Actually, employees do not receive this pay for 2 or 3 days after those dates, resulting in great inconvenience and hardship to the families of the workers involved.

Protests have been made, all to no avail, and now apparently, in the Mimico area, the foreman on the job has told the men that if their protests continue, the men will lose their jobs.

Will the hon. Minister give the House assurance that pay cheques will reach the men on the day they are supposed to, and further, that an immediate halt will be called to the threat of firing the employees if they insist on trying to get their rights?

Hon. Mr. Frost: Mr. Speaker, the tone of that speech is highly objectionable. How does the hon. member know that there is truth in the statement that any threats were directed at all?

Mr. MacDonald: I have asked a question. Perhaps the hon. Minister could reply to it without all these interruptions. I have had assurance by the workers involved that this threat has been made to them by the foreman on the job.

Mr. Maloney: The hon. member's assurances are inaccurate.

Hon. W. Griesinger (Minister of Public Works): Mr. Speaker, during recent months, the working staff of The Department of Public Works, particularly in the Metro area, has been built up from approximately 300 to over 750 skilled union employees in order to alleviate, to some extent, the unemployment situation that is with us.

True, there has been some delay in getting the pay cheques to some of these men because these jobs are spread over 7 or 8 different projects. Our staff which, to some extent, is a bit short handed, made every effort to get these pay cheques out, and when we take into consideration the necessity of having these cheques audited by the audit department, and also passed by the treasury department, some delay has been caused.

I do not agree with the hon. member for York South, that there has been any hardship caused, only some inconvenience. We can hope that, in the future, this staff will probably be built up to 1,500.

Now, as to his second question. No complaints have reached us about anybody being threatened with losing their jobs.

Mr. MacDonald: I have just registered it.

Mr. Maloney: He is registering nothing.

Mr. MacDonald: That is good.

Hon. Mr. Griesinger: I know the hon. member is registering it. But the complaints of these men have not come to the senior officials of The Department of Public Works, and I am sure if there were any they would come to us. But I will give assurance to the hon. member that we certainly have no intention of firing any of our men for complaints like that if they do reach us.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I desire to mention to the House a matter of great public importance. It was drawn to my attention today that the University of Toronto undergraduate paper, the *Varsity*, had published a special edition, and there seemed to be some consternation, in university circles, that this issue of the paper would be offensive to the government and to myself.

Now I hasten to make plain that such is not the case. I have the edition here. It is a very lurid edition of the *Varsity*, but I may say that it was written before the budget was delivered yesterday. It is what is known as a "gag" edition of the *Varsity*. It is like another great newspaper which we have published around here once a year, called the *Gas Jet*.

Now, far from being offended, may I say that I have asked that the editor of this newspaper who bears the great Irish name of Michael Cassidy, whom I have never had the opportunity of meeting, should be invited to the annual dinner for the press, given by the government on March 10. I would very much like to meet Mr. Cassidy, a gentleman who is so original.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost: Mr. Speaker, I move you do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to.

THE ONTARIO SCHOOL TRUSTEES' COUNCIL ACT, 1953

House in committee on Bill No. 47, An Act to amend The Ontario School Trustees' Council Act, 1953.

Sections 1 to 3, inclusive, agreed to.

Bill No. 47 reported.

THE DEPARTMENT OF EDUCATION ACT, 1954

House in committee on Bill No. 48, An Act to amend The Department of Education Act, 1954.

Mr. H. C. Nixon (Brant): Mr. Chairman, the hon. Minister gave the House very little information about the way this legislation would be applied and would work out in detail. I noticed that, when the bill was in the education committee, he discussed it at considerably greater length than was done in the House at the time of second reading. Because some hon. members were not on that committee and had not the privilege of hearing him, I wonder if he could not give us the benefit of the further information that he evidently gave to the committee, when it was sitting.

Hon. W. J. Dunlop (Minister of Education): Mr. Chairman, as I said to the committee and to the House, this bill provides the mechanics for operating the student aid loan fund and, as the hon. members will have learned from the budget yesterday, the capital amount set aside for this purpose is \$3 million.

Now it is proposed that these loans be made by a committee in The Department of Education, a committee that has been handling the bursaries for many years, and that the bursaries may probably be used—of course, the amount for bursaries may be larger, and likely will be—to assist students in the early years, the first and second years of a university course, or a year in a teachers' college, or a year at Osgoode Hall, or at the college of art.

It is proposed that the loans will be used for the second, third and fourth years, or in any case for the later years in whatever college or university these people may attend.

Then there is the matter of interest, which will have to be very carefully worked out because there already are loans that are given to, for example, the junior farmers that bear an interest of 4 per cent., and that is something which we wish to discuss, and decide whether there should be no interest, nominal interest, or no interest until after the student has graduated and gone to work, or whatever may seem to be best. Now if the hon. member for Brant has any questions, I will be glad to do my best to answer them.

Mr. Nixon: I am particularly interested in this report. From what the hon. Minister said in the education committee, some person such as a parent or someone outside of

the family must guarantee repayment. Is that the policy with respect to these loans?

Hon. Mr. Dunlop: I think we must have some guarantee. Now, shall we simply say to a student: "Here is your money, we are not even asking you to promise to pay it back?" That is going to undermine the moral fabric of a nation, is it not? If we are going to teach young people to borrow money and make no provision at all for repayment, I think there is something wrong.

Mr. Nixon: Surely the hon. Minister will ask the student to pay it back.

Hon. Mr. Dunlop: If he is under 21?

Mr. Nixon: He will be over 21 some day, surely.

Mr. Maloney: A man cannot enter into a contract if he is under 21.

Mr. Nixon: But, as a parent who has had some experience in paving the way for students to go to university, I would object most strenuously to signing a note that would be hanging over my head for years to come without knowing how it is to be paid back. And I cannot see that this government is doing anything for the student if it is going to compel someone to sign a note guaranteeing its repayment.

I thought the student, after he graduated and was in receipt of a good salary, would be responsible for paying it back.

If I were to sign the note guaranteeing repayment of \$4,000 or \$5,000, why the first thing I would have to do would certainly be to insure the life of the person whom I am guaranteeing.

But the province as a whole might accept this risk, which would not be serious over a great number, but could be extremely serious with one individual guaranteeing the payment of 4 or 5 children who were going through university.

Hon. Mr. Dunlop: Does the hon. member not think we should have some sort of security? Something?

Mr. R. Whicher (Bruce): Mr. Chairman, like the hon. member for Brant, I am certainly interested in this question, and I do not think it is at all fair that the parents or anyone else should guarantee the payment of this amount by the student. Surely education is not just for the benefit of the student in this case, it is of benefit to the whole province and to the country as a whole. I believe that the province in this instance should accept the responsibility.

I daresay that, in 98 per cent. of the cases, the province will be paid back, but it is a debt which would be hanging over the father or whoever the guarantor might be for at least a period of 4 or 5 years, and will certainly hold back the borrowings of the father, or that guarantor, if he is in business or if owns a farm, or whatever his circumstances might be.

In other words, if he is a farmer, he is really mortgaging his farm for that amount of money, and I do not think it is at all fair.

In regard to the same bill, Mr. Chairman, I suggest, when the hon. Minister is presenting this to the House, that he should be able to tell us what is the amount of interest that the student is going to have to pay and what qualifications are required.

Is he going to have to get 60 per cent. marks to qualify for a loan, how much is the interest, and when is he going to have to pay it back? Is he going to have to start paying back a year after he graduates, or what is the situation?

I do not feel the hon. Minister has given the House a very clear indication of just what this bill is all about.

Mr. J. A. Maloney (Renfrew South): Mr. Chairman, it occurs to me that the hon. members of the Opposition, in their remarks concerning this bill, are of the opinion that we should not provide loans for students. Otherwise, how do they propose that these loans should be repaid unless people who are legally capable of guaranteeing the repayment of the loans are made parties to the loans?

I have spoken to the people in my county, many of whom are most anxious that their children should go on to university. They are not in a position to provide the money for that educational benefit that their children desire, but they are certainly most anxious to guarantee any government loan which will benefit their children.

It also occurs to me that the hon. members of the Opposition are also peculiarly bereft of the knowledge of the law, which provides that people under 21 years of age cannot enter into a valid contract. That is something I am sure the hon. member for Bruce has overlooked. I would certainly think that, in view of the great necessity for our children—who are the greatest asset that our province has—to go on to higher degrees of learning, that the hon. members of the Opposition will provide some alternative way to see that these loans are repaid, if they are not to be guaranteed by older members of the family.

Mr. Whicher: Mr. Chairman, we certainly have an alternative. We want to have the loans for these prospective university students, and we suggest that the province accept the responsibility and finance these students through university, and that they form some kind of a contract. Even though it may not be legal, at least it will be a moral contract.

I strongly suggest that certainly more than the average student, I suggest 95 per cent. or 98 per cent. of the students would be only too pleased to repay their loans to the province of Ontario, at a reasonable rate of interest. But in this bill the hon. Minister has not even said what the interest is going to be.

Hon. L. M. Frost (Prime Minister): I would like to clear up a few matters for the hon. members opposite.

This provision is a subsection which enables the department to prescribe rules and regulations relative to loans which, yesterday, were set up in the order of some \$3 million to assist students.

The hon. member for Renfrew South put his finger on the question. The point is this, that a child—because that is the way the law treats a person under 21 years of age—is not able to enter into a legal contract, and the difficulty is, of course, to get around the laws which are very far-reaching in that regard.

I think this will be the way it will be arranged, that the loan would have to be made on the guarantee of someone else during the student's infancy, otherwise it will not be a valid contract. But when that person becomes 21 years of age, then I think at that time we will arrange that the student, to whom the loan has been made, will assume the loan and release the parent. I think that should meet the situation entirely, and I would say that it gets around the legal difficulty and would put the matter where it should be. The student himself would repay the loan in the ordinary course.

In regard to the interest, that has not yet been determined, but I would think that very probably, during the period of non-earning, the interest would be negligible or non-existent, and that interest would apply after the student's earning days commence. It will be something of that sort, but it is a matter which will have to be given some consideration.

Hon. Mr. Dunlop: Mr. Chairman, I want to answer the question asked by the hon. member for Bruce, if I may, about the scholastic standing of the students.

For bursaries, for years, it has been a requirement that the student show he has an

average of 66 per cent., on the grade 13 examinations, or whatever it may be. And that has worked out very well.

But I have the idea that there may be times when a student has not achieved a standing like 66 per cent.—perhaps he has received 60 per cent. and it may not have been his fault or her fault. There may be all sorts of reasons why that better standing was not achieved.

Therefore, I am hoping that, in connection with these loans, we may be able to provide for special cases of that kind even if the standing is not as much as we would like to have it.

Mr. D. C. MacDonald (York South): Mr. Chairman, the hon. member for Renfrew South speaks of the younger generation as being our greatest asset. I wish he and other hon. members in the government benches would have a little more confidence in this great asset, a little bit more faith in them.

Mr. Maloney: What is the hon. member talking about?

Mr. MacDonald: What I am talking about is simply this: Now the hon. member for Renfrew South need not get so touchy and "blow his top" on the issue.

Some hon. members: No, no!

Mr. MacDonald: What we have emerging now, Mr. Chairman, is the lawyers attempting to ring this fund around with regulations which I hope we can avoid.

Mr. Maloney: Such nonsense. Such nonsense.

Mr. MacDonald: I do not want to get into an argument—as so often happens in this House when anyone contrasts what happens in Saskatchewan and what happens here, but the fact of the matter is that this kind of a fund has been in existence since 1950 in Saskatchewan, and therefore we have some guide as to just how it might operate.

Mr. Maloney: That is why they are leaving Saskatchewan.

Mr. MacDonald: The hon. member for Bruce, for example, says he thinks that 98 per cent. of the students would repay, or perhaps 90 or 95 per cent. of them would repay. The hon. member would be interested to know that, of the 4,000 students in Saskatchewan who have received this loan in the last 6 years, not a single one has yet defaulted on his payments.

Mr. Maloney: Will they here? Will they here?

Mr. MacDonald: All right. Let us have a little faith in them, and not saddle their parents with a demand that they provide a note to underwrite the obligation. Now the hon. Prime Minister has indicated this is in the hands of a committee which is going to work out the regulations, and perhaps it is well that it is still in the formative stage so we can express our views.

I want to express these views, (a) that in the light of the kind of experience where they have had a fund in operation, there should be no interest rate, except as a penalty when the student, after getting out and starting to earn is not repaying it, when he has the earning capacity to do so.

Mr. Macaulay: In other words, when he is in default.

Mr. MacDonald: In other words, when he is in default, right. What has been the case for years in Saskatchewan, where the fund is in operation, is that there is no interest charged at all while the student is in the university. Further, there is no interest charge after he starts to repay, unless and until he goes into default. This has happened only in very, very few instances, and then only for a few months.

Secondly, for reasons I just spelled out, I do not think it is necessary that we should have to saddle the parents, or anybody else, with the legal requirement that, until the students reach 21 years of age, the loan must be guaranteed. The experience where this has been in operation is that this kind of guarantee is not needed. These students are the cream of the crop of the younger generation who are seeking education. Let us have a bit more confidence in them instead of seeking to ring the loan with these legalistic assurances.

Mr. Maloney: Mr. Brewin would be very interested to hear that.

Mr. MacDonald: Certainly he would. And if he got the hon. member in court he would likely lick him on it, too.

Mr. Maloney: Well, I do not know—

Mr. MacDonald: Mr. Chairman, there are two other points that I want to mention briefly. The government has put \$3 million into this fund. Now I suppose that is neither here nor there for the moment, because if we find that all that money is loaned we can make another appropriation. But again, on the experience in the province of Saskatchewan where they have roughly one-fifth of our population, and where in 5 or 6 years, some

4,000 or 5,000 students have been given loans, a fund of \$1 million appears to be just meeting the needs. The money is now coming back as quickly as it is going out, so it is genuinely a revolving fund. Now if, as the papers indicate—or I think it was the hon. Prime Minister in his budget speech yesterday—that he thought 2,000 students might be seeking this in Ontario, which is roughly 4 or 5 times the number that were getting it in the province of Saskatchewan, I think he may find that the \$3 million is not adequate, unless the loans are going to be much smaller than they were in the case of Saskatchewan. However, I am not going to press this point, because if we find there is not enough money in the fund 2 or 3 years from now, presumably the government would consider a further appropriation.

Hon. Mr. Dunbar: There is some money left in the old sock yet.

Mr. Maloney: This government will two or three years from now, of course we will. Certainly we will, two or three years from now.

Mr. MacDonald: The sun comes up like thunder from Renfrew South.

Mr. Child: At least, it is bright.

Mr. Maloney: It is the thunder that predicts the future of the CCF party.

Mr. MacDonald: The wind comes from there too, obviously.

Mr. Chairman, one final point: I spoke to the hon. Minister about this yesterday, and conceivably he has not yet had time to find the answer.

Representatives of the executive of the physical therapists' organization have drawn to my attention that this group have not been able to get money under the bursary committee, up until now. They wish to know why.

The hon. Minister was quite as surprised as I was, because physical therapy is a 3-year course following senior matriculation, and it is within the university structure, and therefore I cannot conceive of any reason why they have not been able to get bursaries up to now, and if they have been barred, why they cannot get bursaries in the future.

But in any case, I see no reason why they should not be able to draw on these loans and, if this is the case, I hope this can be clarified, so they will be brought into the eligible group.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Chairman, may we have any assurance from the hon. Minister that loans will not be denied for any security reasons, that is, what about a family that is not a good risk?

Hon. Mr. Frost: That will not enter into it.

Hon. Mr. Dunlop: Every family is a good risk.

Mr. Wintermeyer: No, no, but the hon. Minister is talking very technically—

Hon. Mr. Dunlop: Every family is a good risk.

Mr. Wintermeyer: In other words, the student will not be excluded for this reason. But what about the limitation of the amount of the loan?

Is there any limitation, or is it going to be the same as bursaries?

Hon. Mr. Dunlop: I should think it would be more, but the problem will be how much a youngster needs. Perhaps he has some money, perhaps he has made some during the summer.

There was one young medical student, when I was working across the ravine, who went up to northern Ontario each summer and ran one of those big machines on railway construction and came back each summer with \$1,700. Now he did not need any loan. Perhaps, under certain circumstances there might be somebody come back with \$1,200 and he would only need \$300 to carry him through. Another one, who had been ill in the summer, might not earn anything at all. He might need \$1,000. We want to provide for everything.

Mr. Wintermeyer: Have we the hon. Minister's assurance that a sufficient amount will be given in the way of a loan to satisfy the normal demands of a student?

Hon. Mr. Dunlop: Oh yes, what is needed will be provided.

Hon. Mr. Frost: It will be the most generous plan in Canada.

Mr. Maloney: What is needed will be provided.

Mr. MacDonald: We have a fund of Tory knowledge here.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Chairman, there are two points that seem to me to stick out in reference to this bill, and someone has said that it is a vague bill—

it is indeed a skeleton. The filling-in will be done by the hon. Minister of Education and his staff. Some day I hope we get around in this Legislature to spelling out legislation a little more when a bill is introduced into the House, rather than leaving altogether too much in many instances to regulation and to order-in-council.

Now the two points of course have been mentioned and I want to emphasize them. In the first place, it is proposed that a loan should be guaranteed by the parent or by someone else. Now I quite definitely disagree with either the advisability on the one hand or the necessity on the other. It has been done, as my hon. friend for York South emphasized, in another jurisdiction without a guarantee. Now, what others can do surely we do.

The other point that seems to stand out is this; we are going to lose only by default on the part of one student or two, or up to 8 or 9 out of 100—a very small percentage. Yet we are going to ask parents to guarantee across the board, we are going to say to the 90 or 95 who will pay: "You also have to go through this formality of having the loan guaranteed." It seems to me that we are being just a little bit too fearful of what might accrue.

I think these students will pay the loans back. I think the province will be taking no risk at all, and if it is taking a risk, it is one they should take and not put onto the shoulders of the parent or some other person.

Now the other matter has to do with the interest rate. We do not know in the House this afternoon what the interest rate will be. Now that is one thing that the hon. Minister should spell out, for the House. He should be prepared, when this bill is going through, to say what the interest rate will be.

I can understand that the loans will vary from student to student, but surely this House is entitled to know, when we are discussing this bill, what the interest rate will be. Is it going to be a 4 per cent. interest rate? Is there going to be a 3 per cent. or a 2 per cent rate, or is there not going to be any?

This province can well afford to underwrite the students of this province, I suggest, without an interest application on these loans.

I think the hon. Minister, should tell the House what the interest rate will be, and I think also we should have an undertaking, on the part of the government, that we will not ask parents to guarantee these loans. Surely we can get away from what I think

is going back rather than forward to insist upon such a provision.

Mr. J. Yaremko (Bellwoods): Mr. Chairman, I just want to say a word in regard to the matter. I do not think the hon. Minister of Education has to go to Saskatchewan to find any precedents. If he will only go over to the campus of the University of Toronto, he will see—I believe that the student administrative council operates a loan fund there. At least regardless of—

Mr. MacDonald: It would be a provincial government loan fund.

Mr. Yaremko: Regardless of whether or not it is provincial, it is a loan fund which has operated very successfully. I happened to have borrowed money from the fund 3 years running, back in the 1930's; I borrowed in May and repaid in September.

I forget now what the rules and regulations of the loan fund were, but they were very fair and worked out very well. I think the hon. Minister can very well look into that scheme and see how it worked.

I may say, Mr. Chairman, that I did repay every dollar that I ever borrowed. As a matter of fact, I was so much impressed by this type of thing, and the hon. member from Brant will appreciate this, that I have never hesitated, in the past 4 years, to go as a guarantor on a loan for a student.

It is quite easy to say that we should make these loans without guarantee, but then on the other hand it is the money of the people of the province of Ontario—it is the money of the little people of the province, and surely the province should not be called upon to put confidence in one student if that particular student cannot get at least one private citizen to endorse his note for him, regardless of whether it be the father, other parent, or the guardian of the student.

He must surely, in the course of his life, at the age of 18, have come into contact with at least one person who would have enough confidence in the student to also go on record for the benefit of the people of the province of Ontario.

However, I do suggest that the rules, when they are made, be as flexible as possible to meet each and every situation, that is, if there is an orphan who has no one, he should not suffer because of this.

Mr. P. Manley (Stormont): I should like to ask the hon. Minister a question. Will a student be able to get the aid if he wants to further his education out of the province, in

any other country for instance, or any other province?

Hon. Mr. Dunlop: I should think that he might very well be able to if he were attending an educational institution in Canada, but I would be doubtful about letting him have it to take a course outside of our own country.

Mr. MacDonald: Mr. Chairman, may I ask the hon. Minister another question? Surely the rule here is that, if the course is not available—

Hon. Mr. Dunlop: Every course is available in Canada.

Mr. MacDonald: There are particular courses for which people must go to the United States because such courses are not available in Canada. Surely the hon. Minister would not bar them.

Hon. Mr. Dunlop: But I say that all courses are available in Canada. It is the peoples' money we will be using.

Mr. Wintermeyer: What about post graduate work?

Hon. Mr. Dunlop: Post graduate work is also available in Canada.

Mr. T. D. Thomas (Oshawa): Does the hon. Minister intend the residence rule to apply too? Is the applicant for a loan to be in the province of Ontario a certain length of time, one year, two years, three years—or what?

Mr. Macaulay: The whole province of Saskatchewan is moving here anyhow.

Hon. Mr. Dunlop: I had not thought of any residence rule. I suppose there would be—suppose, let us say, a boy came from the state of New York and wrote examinations here. There would be nothing to prevent him from participating as far as I can see.

Mr. Wintermeyer: Surely the hon. Minister must have some thinking on this particular subject of—

Mr. Macaulay: The hon. member himself had better start thinking.

Mr. Wintermeyer:—residence and scholarships, at least the requirements to take courses beyond jurisdiction.

I well remember a year ago we debated this, I think somebody brought in a motion, we had it amended two or three times, at which time the hon. Minister undertook to investigate the whole problem.

In the intervening 12 months little or nothing has been done. It seems the government is under an obligation to demonstrate some real leadership, I think all of us came to the conclusion that the government was investigating this problem in the intervening 12 months, and now today we find that little or no preparatory work has been done, except to arbitrarily set aside \$5 million or \$3 million, yes, I had hoped at one time that it would be in the neighbourhood of \$10 million—

Hon. Mr. Dunbar: Why does he not make it \$15 million?

Hon. Mr. Dunlop: Did the hon. member for Waterloo North, a couple of weeks ago, ask whether this loan fund would be as much as \$400,000?

Mr. Wintermeyer: No, Mr. Chairman, I was talking then about bursaries, and I asked if it would be more than what is being allowed for bursaries. Now last year the bursary expenditure was in the neighbourhood of \$400,000 and at that time would be in excess of \$400,000. Surely today, Mr. Minister, the government must come in with some practical plan other than the mere skeleton suggestion that it will allot \$3 million.

What about interest, what about guarantees, what about residence, what about all these things? These are things that obviously have to be settled.

Hon. Mr. Dunlop: We have just answered all except the interest, have we not?

Hon. Mr. Frost: I would think my hon. friends opposite, including my hon. friend from Waterloo North, are getting themselves into a state of mental uncertainty and are very upset about what we intend to do.

Mr. Wintermeyer: Oh, no.

Mr. MacDonald: They are looking in a mirror.

Hon. Mr. Frost: But I would say that yesterday the great sum of \$3 million was placed in the budget. If that is not sufficient, I can assure hon. members that it will be made sufficient.

Now, what we propose to do, is to bring in the university presidents of the 8 universities of Ontario. A number of them have funds that they have been administering and looking after. We propose to bring in the trustees of the Matthew trust, which is very well run, up in the great district of Rainy

River, the fund that my hon. friend from Bellwoods mentioned, and I can assure my friends opposite that our plan, when it is in effect, will be one of the most generous and encompassing plans to be devised out of the many plans that there are in Ontario.

Mr. Wintermeyer: There is certainly a great deal of uncertainty in regard to this bill, and I would say this, that if the hon. Prime Minister intends to call all those people in, and they are going to work out what the different regulations are going to be, what the interest is going to be, what the amount of the loans are going to be, then we are going to be in session for some time. Let him call those people in and hold this bill over.

Hon. Mr. Frost: The hon. member will see how brief it will be.

Mr. Wintermeyer: Well, there is no reason why we cannot, we are not going to be put out of the House tomorrow, there is no reason why he could not hold it over. Let it go back to committee and let the committee discuss it again, and let us have another look at it. This is reasonable. I am not voting against the bill, I am just asking that it be delayed.

Mr. Macaulay: As usual the Opposition wants to delay.

Mr. Wintermeyer: We are delaying for a purpose.

Mr. Thomas: Mr. Chairman, 12 months ago in this assembly, the hon. member for York South introduced a motion that was amended, and the amended motion was acceptable to the government. Now that was 12 months ago, surely the government has done something about it during the 12 months, or have they done nothing?

Mr. Maloney: Mr. Chairman, I am the guarantor for 3 loans for boys who are going to university. If my hon. friends of the Opposition would prefer that these young men and women should not receive the benefit that is being offered by this bill, I would suggest to the hon. Prime Minister that a vote should be called upon this bill right now. Let them rise and be counted.

My hon. friend from Waterloo North has had the benefit of an undergraduate course at one of the universities in the United States. I do not suppose anybody had to guarantee the loan that might have been necessary for his course over there, but I say to the hon. Minister of Education, as I said in my address when I was speaking on the Throne debate, that if for no other reason than providing for these loans that might be made to young men

and women who want to go on to university, he will be known as one of the greatest Ministers of Education this province has ever known.

Surely these men to my left, surely they will now rise and say: "Let us get on with this bill and see to it that these boys and girls are given the opportunity to have the education we want them to have." If they want us to stay behind the other nations of the world—

Interjection by an hon. member.

Mr. Maloney: The hon. member wants us to stay still further behind. I say to the hon. Minister, let him go on with his bill and we will all be behind him.

Mr. Manley: Mr. Chairman, if the hon. member for Renfrew South is suggesting that I want to delay this, he is absolutely wrong. We, to his left, certainly are behind the bill, we are behind loaning, but we want to know under what interest rate the student is going to obtain the loan. We want to know the maximum amount of the loan, and we are just asking that it be delayed until those particular points are cleared up. They can be cleared up before the House prorogues. There is lots of time, I think, for this bill to go back to committee so we can have another look at it and bring in the particular objections we had to it.

Mr. Oliver: The remarks of the hon. Prime Minister interested me, as they always do, and they indicate rather clearly that what investigational work is required is yet to be done. He has indicated that he is going to call these bodies in and they are going to have a conference and are going to decide on this and that and the other thing.

Now that, I think, was work that should have been done long ago, and I think it is proper to suggest that this bill be delayed. We are not opposed to the bill in the way that my hon. friend from Renfrew South suggests. All we want are fuller opportunities for the students of this province, and we want to know that this government is not going to put an interest rate on the loans that will be oppressive. We want to know that they are not going to ask guarantees that will be binding and will tie people down for years and years.

I suggest honestly to this House this afternoon, and to the hon. Prime Minister—and I think he will perhaps agree somewhat with it—that this is the kind of legislation that certainly should be made more clear to us. At least we should know what the interest rate is going to be.

There is no rhyme nor reason why the hon. Minister of Education should expect us to pass legislation dealing with the granting of loans in which the interest rate is not set out in the bill. Why not? He must surely know what it is going to be by now, and the legislators are entitled to know what it is going to be.

Hon. Mr. Frost: I would say to the hon. leader of the Opposition that if he has any doubts about the generosity of this government in dealing with people, let him just look at the way our people have dealt with old age pensioners as compared with his. That is all he needs to do.

Mr. MacDonald: Superannuated teachers, that came in yesterday.

Mr. Nixon: If you cannot argue, then you are through.

Mr. J. F. Edwards (Perth): Mr. Chairman, I have listened with a great deal of interest to the protests from my right. I think possibly the main thing about this bill is that there is \$3 million set aside for a purpose which is necessary and real. I think this talk of free money, this talk of nobody backing the student is all a lot of nonsense. There is no hon. member in this House who did not have to have backing at one time, and I do not think many of us reneged on payment or we would not be in the position that we are today as far as education is concerned.

It has always been said that if young people want an education badly enough they can get it. That has been proved, and I think our hon. friends are very unfair in their judgment of our hon. Minister of Education and his department, when it comes to dealing with these loans.

After all, it is public money. There is interest charged on junior farmer loans, and there is every right that there should be a nominal interest, and that the money should be repaid.

There should be some guarantee that, when this education is received, the benefit of that education is expended in Canada and not in other places. Those are things of broader vision which I think we should keep in mind, and I am highly in accord with the bill, and I think that if we take an honest look at this thing, some of the things that have been said might better have been left unsaid.

Mr. W. G. Noden (Rainy River): I have wondered why there should be so much controversy over the details of a bill, when

throughout this province we have educational funds, set up by individuals, that have been in operation for the last 10 years. These have given the opportunity for higher education to our boys and girls, in my own riding, at an interest rate of 1 per cent., and I can assure the hon. members that there is a security element to it, guaranteed by the parents.

I want to tell hon. members that, during the time of operation, there has not been \$1 that has not been paid back by the students. I feel that the controversy which has existed today is unnecessary, because the \$3 million is before us and it is there to be used, and I know that any plan that is set up will be worth it.

Sections 1 to 3, inclusive, agreed to.

Bill No. 48 reported.

THE ANATOMY ACT

House in committee on Bill No. 50, An Act to amend The Anatomy Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 50 reported.

THE BEACHES AND RIVER BEDS ACT

House in committee on Bill No. 51, An Act to repeal The Beaches and River Beds Act.

Sections 1 and 2 agreed to.

Bill No. 51 reported.

THE CONDITIONAL SALES ACT

House in committee on Bill No. 52, An Act to amend The Conditional Sales Act.

Sections 1 and 2 agreed to.

Bill No. 52 reported.

THE COUNTY COURTS ACT

House in committee on Bill No. 53, An Act to amend The County Courts Act.

Sections 1 and 2 agreed to.

Bill No. 53 reported.

THE GENERAL SESSIONS ACT

House in committee on Bill No. 54, An Act to amend The General Sessions Act.

Sections 1 and 2 agreed to.

Bill No. 54 reported.

THE DESERTED WIVES' AND CHILDREN'S MAINTENANCE ACT

House in committee on Bill No. 55, An Act to amend The Deserted Wives' and Children's Maintenance Act.

Sections 1 and 2 agreed to.

Bill No. 55 reported.

THE INTERPRETATION ACT

House in committee on Bill No. 56, An Act to amend The Interpretation Act.

Sections 1 to 2 agreed to.

Bill No. 56 reported.

Hon. Mr. Frost moves that the committee rise and report certain bills without amendment.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills without amendment and begs leave to sit again.

Report agreed to.

THE SEPARATE SCHOOL BOARD OF THE TOWN OF LINDSAY

Mr. A. H. Cowling moves second reading of Bill No. 2, "An Act respecting the separate school board of the town of Lindsay."

Motion agreed to; second reading of the bill.

HURON COLLEGE

Mr. W. A. Stewart (Middlesex North) moves second reading of Bill No. 4, "An Act respecting Huron College."

Motion agreed to; second reading of the bill.

TOWNSHIP OF GRANTHAM

Mr. D. M. Kerr moves second reading of Bill No. 6, "An Act respecting the township of Grantham."

Motion agreed to; second reading of the bill.

TOWNSHIP OF LONDON

Mr. W. A. Stewart moves second reading of Bill No. 8, "An Act respecting the township of London."

Motion agreed to; second reading of the bill.

TOWNSHIP OF CHINGUACOUSY

Mr. W. J. Stewart (Parkdale) moves second reading of Bill No. 14, "An Act respecting the township of Chinguacousy."

Motion agreed to; second reading of the bill.

CANADIAN PACIFIC RAILWAY
COMPANY

Mr. Cowling moves second reading of Bill No. 15, "An Act respecting the Canadian Pacific Railway Company."

Motion agreed to; second reading of the bill.

STRATFORD SHAKESPEAREAN
FESTIVAL FOUNDATION
OF CANADA

Mr. J. F. Edwards moves second reading of Bill No. 5, "An Act respecting the Shakespearean Festival Foundation of Canada."

Motion agreed to; second reading of the bill.

SUDBURY YOUNG WOMEN'S
CHRISTIAN ASSOCIATION

Mr. G. J. Monaghan moves second reading of Bill No. 10, "An Act to incorporate Sudbury Young Women's Christian Association."

Motion agreed to; second reading of the bill.

QUEEN'S UNIVERSITY AT KINGSTON

Mr. W. J. Stewart moves second reading of bill No. 17, "An Act respecting Queen's University at Kingston."

Motion agreed to; second reading of the bill.

ONTARIO DIETETIC ASSOCIATION

Mr. H. L. Rowntree moves second reading of Bill No. 20, "An Act respecting the Ontario Dietetic Association."

Motion agreed to; second reading of the bill.

TOWNSHIP OF TECK

Mr. A. R. Herbert moves second reading of Bill No. 21, "An Act respecting the township of Teck."

Motion agreed to; second reading of the bill.

CITY OF BELLEVILLE

Mr. W. Sandercock moves second reading of Bill No. 31, "An Act respecting the city of Belleville."

Motion agreed to; second reading of the bill.

SPEECH FROM THE THRONE

Mr. R. E. Sutton (York-Scarborough): Mr. Speaker, in rising to take part in the Throne debate, I too wish to congratulate you on the fair and impartial manner in which you conduct the business of this House.

I wish also to congratulate the hon. member for Peel (Mr. Kennedy) for his most excellent speech. After his 50 years in public life, it was a rare privilege indeed to hear him reminisce. We all share his pride in his 6 wonderful grandsons who were in the gallery on that particular day. Many of us have grandchildren, I have 6 myself, and we are much more indulgent grandparents than we were parents.

May I also say of the hon. mover's address that we all share his great love for Her Gracious Majesty, Our Queen.

I wish also to congratulate my seat mate, the hon. member for Glengarry (Mr. Guindon) on the excellent job he did on seconding the address. He hardly had time to get his feet under his desk when he was handed that important assignment. We shall hear a great deal more from him in the future.

We have heard much during this session, Mr. Speaker, about money and credit, and I would like to take a few moments to speak about our central bank.

The Bank of Canada is patterned after the Bank of England, the central bank that has stood the test of time. All of the stock of the Bank of Canada is owned by the Dominion of Canada, and the directors of the bank are elected by the government of the day.

There must not be any political interference with the day-to-day operation of the central bank, but of necessity the broad overall policies of the bank would have to be set by the government in power. They are the elected representatives of the people, and would have to take the full responsibility for the action of the Bank of Canada.

We had a Liberal government at Ottawa when money was made tight and interest rates increased. Tight money was applied indiscriminately across the whole of Canada and caused the present recession. What we have today

is recognized as a "Grit depression." They made money tight to check expansion, and they certainly have succeeded.

There are 5 ways in which the Bank of Canada controls money and credit: First, they do this by raising or lowering the primary bank reserve requirements, which are Bank of Canada notes or cash. These are currently 8 per cent. of the deposit liabilities, and were raised from 5 per cent.

Secondly, by raising or lowering the secondary reserve set at 7 per cent. of the deposit liabilities and consisting of treasury bills and day-to-day loans.

Thirdly, by increasing or decreasing the rediscount rate currently based on the treasury bill average rate plus .25 per cent.

Each week on Thursday, the Bank of Canada auctions 100, 115 or 125 millions of 91-day discount treasury bills, when a high, low and average price is reported. If we take the average bill rate and add .25 per cent., we have the rediscount rate for the next week. The rediscount rate is the rate paid by the chartered banks when they borrow from the central bank.

Since June 10, this rate has fluctuated from a high of 4.06 per cent. last August, to last week's rate of 3.28 per cent. So we can see that hon. Donald Fleming (Minister of Finance and Receiver-General) has reduced interest rates by .75 per cent.

The rediscount rate more or less sets the other interest charges applying and the primary. Because of this drop in the rediscount rates, the primary has come down from 6 per cent. to 5.25 per cent., and insurance companies have dropped their mortgage rates from about 7 per cent. to 6.25 per cent.

Fourthly, by the open market operation of the Bank of Canada. The central bank can sell Dominion of Canada bonds, deliver the bonds, and take cash away from the commercial banks making credit tighter, or it can buy bonds in the open market, taking bonds out of the commercial banking system, giving cash in return and loosening credit.

Fifthly, moral suasion, and this in my opinion, Mr. Speaker, is probably more important than the other 4 methods.

The officers of the chartered banks are called down to Ottawa by the Bank of Canada officials and told of a major change in policy—for example, they were told under the Liberal regime that a runaway inflationary boom was more to be feared than any possible depression, and that money would have to be made tighter and interest rates would have to be increased.

They were told to go back home and call in all their branch managers, and to instruct them to call in as many of their outstanding loans as possible, and not to make any new loans unless of the most urgent kind.

So hon. members and I go to our branch manager, whom we have known for many years and with whom we have been on very friendly terms, and we try to borrow \$10,000, let us say, for some sound project.

But, even with our note and 100 per cent. government bonds as collateral, we are told that this is just the type of loan his head office is trying to discourage. I might say any type of loan would have received the same treatment just prior to June 10 of last year.

Let us get very academic for a moment, and examine what does take place when the chartered bank makes us a loan—that loan I just referred to, of \$10,000. A credit of \$10,000 out of the present deposits of the bank is placed in our account and let us say 10 per cent. instead of 15 per cent., to simplify it, is placed in the reserve.

Therefore, \$1,000 is placed in the reserve of the Bank of Canada, leaving \$9,000 to loan to the next borrower.

Of this amount, \$900 more is added to the reserve, leaving \$8,100 to loan to someone else, when \$810 would be set aside as reserve on the next loan. And so on and on.

The credit is created, and interest is earned by the bank, on all these new credits set up for their customers.

In actual practice, probably this does not happen with our chartered banks, because even our chartered banks are conservative and loans are kept to approximately 65 per cent. of deposits.

Back in 1934, a Mr. C. H. Douglas in London, England, an economic dreamer, came up with a few new theories about banking, credits and money—and this creation of new credit fascinated him.

All the old-time economists like Adam Smith had only 3 factors of production—land, labour and capital—and to these he added 2 of his own, cultural heritage or social dividend and social credit.

Mr. Douglas's thinking was that, in this machine age, there was abundance for all, and that after the cost of the machine was paid off, there was left a surplus or a dividend for society generally.

The province of Alberta offered itself in 1935 as a subject for the Douglas economic experiment. William Aberhart accepted office as Premier, and his party won 56 of the

63 seats in the Legislature. Every member of the Aberhart Cabinet and of the victorious party was a newcomer to the Legislature.

The programme of the party included the issue of at least \$25 of "social dividend" every month to every natural-born inhabitant. The essence of the social credit scheme in the province was a steady and permanent flow of newly-created money into consumers' purses. The money was printed and started into circulation.

This step was *ultra vires* of the province of Alberta, since only the federal government has control of issuance of money and credit, but despite this the money went into circulation. Mr. Aberhart defaulted on outstanding bonds of the province of Alberta, and the new currency did not stay in circulation very long.

Mr. Speaker, you have probably seen the social credit "funny money"—on the back of the \$1 bill were 52 squares where a two-cent stamp was to be affixed each week. In 52 weeks, the bill was therefore self-liquidated. Let us say that each Tuesday was the day set to put on the stamps, and say pay day was each Friday.

Look what happened. The workman received his pay envelope and would run off to pay his landlord first, then tear across the street to pay his butcher, and then "scaddle" over to pay his grocer. The butcher would run to pay his meat packer, the grocer, his wholesaler, and from there to the processor to the manufacturer the bills would pass, in a mad rush to get rid of them before Tuesday when the stamps would have to be affixed.

The money was rightly called "velocity dollars," and everybody had his running shoes on to get rid of the money before the time came to apply the stamps.

Pretty soon, on Monday night, people would say: "Do not pay me now, wait until Wednesday, and you put on the stamps this week." Then the workman soon refused to take the money in his pay envelope, saying that his creditors would not accept the money in payment of his debts. The social credit money went PHUT—P H U T.

Then came discoveries of oil and gas in the province of Alberta. Before that, capital had been moving out of the province after the bond default. The oil industry offered to put up large sums of money in the development of oil and gas, provided that the Aberhart government would fix up their bond default, pay all back interest, and interest on interest, as well as guarantee the safety of the oil industries' investment. This was done, and the social credit government in Alberta

became one of the most conservative governments in Canada. But mark you, it was no longer social credit. The theory on which this party was formed was tried out in actual practice, and the scheme proved impractical.

Therefore, I submit, Mr. Speaker, that there is no reason whatever that the Social Credit party should be contesting seats in this national election. We should return to the two-party system, the Tories versus Grits.

Now, let us look at the CCF party for a moment. The Co-operative Commonwealth Federation was a new political organization which was brought into existence 3 years prior to the Aberhart experiment, on August 1, 1932, at Regina, Saskatchewan.

Mr. MacDonald: Calgary, Alberta. The hon. member is just a little bit inaccurate, I have to watch this carefully to see how far we go astray.

Mr. Sutton: I looked it up twice and there was a little difficulty in getting this information. I had Calgary, Alberta, and I was told to change it to Regina, Saskatchewan. I had a call made to the hon. member's office in Toronto.

Mr. MacDonald: Calgary, 1932, Regina 1932, we agree.

Mr. Sutton: Farm and labour organizations in the 4 western provinces and Ontario met to form a Dominion-wide socialist party. I might say that the United Farmers of Ontario affiliated themselves with the movement, but saw the light of day and withdrew after one year's membership. Among the many ordinary planks in their platform were the following extraordinary features:

Socialization of the banking, credit and financial system of the country, together with the social ownership, development, operation and control of all utilities and natural resources. The new party believed in state ownership and operation of industry and farms. I had some difficulty here in getting my facts too.

For some time there was very little progress made politically. It seems in 1935 the party was able to get 7 members elected to the federal government, but the CCF government did not come into power in Saskatchewan until 1944.

In Saskatchewan they put their scheme into effect with state-owned industries in boot and shoe factory, cement factory, lumbering, woodworking, canning and 4 or 5 others, all of which have since gone PHUT, spelt P H U T, and folded up.

Here again is a political party formed in the days of the "dirty thirties," when panaceas were being suggested everywhere, the whole basis of which is not practical, for Canada.

I submit that the CCF has no right to be in the federal general election today. The 3 intelligent and brilliant hon. gentlemen sitting opposite should stop wasting their time battling for a lost cause. They should line up with one or other of the two major parties, Grits or Tories, preferably Grits, whose national leader, hon. Lester Pearson, was recently given an honorary Indian title, which translated means "King of the Birds."

I now wish to say a few words about unemployment. Because of the upheaval of two world wars, and the Korean war, there has been, I submit, a delay in the old-fashioned orthodox economic cycle that used to recur every 7 years; 3 years up and 3 years down. We have had in Canada, for the past 12 years, a terrific expansion in capital expenditures on the part of industry for new plants, machinery and equipment, so that now many industries have excess productive capacity and their products have outstripped demand.

This is true in the pulp and paper industry, the largest manufacturing industry in Canada. It is also true of textiles, chemicals, automobiles, some lines of household appliances, nickel, aluminum and the base metals of copper, lead and zinc.

Looking back now at the stock market action, which has the faculty of discounting future events, one can see that two years ago in April, 1956, farm implement stocks, newsprint and liquor stocks all topped off, so having in mind the 3 years to run its course, it may be easy to predict that industry may take another 6 months before there is any great upturn.

But it is not industry alone today that makes for a boom or recession. In 1957 we had a great downturn in business the last 6 months, and yet the gross national product reached a new high.

Governments—federal, provincial and municipal—made, and will make, tremendous capital expenditures. The gross national product for 1958 is expected to be down by not much more than 10 per cent. over 1957. Any slack on the part of industrial capital expenditure will be taken up by the different levels of government. For Ontario alone, we have heard the figures quoted many times.

Over the next 20 years Hydro will spend for capital account some \$3 billion, or \$175 million a year.

Education—primary, secondary, and the universities—over 20 years will need \$1.5 billion. Highways have a 20-year programme of \$3 billion, water resources \$2.4 billion. Hospitals, other public buildings and conservation works will require another \$1.25 billion for Ontario alone.

Such spending will reach some \$11.25 billion in all. Add to this, federal and municipal capital expenditures, and one cannot become too pessimistic. We have such a fabulous future here in Ontario and Canada as a whole that, over the longer term, things look very bright indeed.

I wish now to speak very briefly about the Malvern land assembly in my own riding of York-Scarborough. Ordinarily, one could not be opposed to a low-cost housing scheme, and yet most of the ratepayers of Scarborough are bitterly opposed, first to the methods used in acquiring the land, and secondly to the whole principle of the plan of locating in this municipality.

Our assessment now is seriously out of balance, being only 27 per cent. industrial as against 73 per cent. residential assessment. The safe percentages, as hon. members all know, are 40 per cent industrial and 60 per cent. residential.

Another city of 36,000 people, the size of Peterborough, in Scarborough at this time is unthinkable. Unless the federal and provincial governments put in all the services—the roads, water, sewers, sidewalks, curbs, lighting and, most important of all, build all the schools—our taxes in Scarborough would go sky-high.

If this were done, however, this project could be considered now in the light of creating employment immediately.

I would suggest that this government place this project high on its priority list, that they build the roads, and put in the services over the next 2 or 3 years. Before anything on the housing development is started, let them give us in Scarborough the time to persuade a few more industries to locate in our wonderful township.

Hon. C. Daley (Minister of Labour): Mr. Speaker, as is the custom in participating in this Throne address, I would like to pay you my respects, and concur in all the nice things that have been said about you and about the way you have conducted the business of this House. The only thing I am beginning to get fearful of is that, if these kind of remarks are continued, unless you are a very solid citizen, we are liable to have to buy you a new hat.

I would also like to pay my compliments to the hon. mover (Mr. Kennedy) and hon. seconder of the address (Mr. Guindon). I enjoyed them very much, especially my old friend from Peel (Mr. Kennedy). I always felt very kindly toward the hon. member for Peel. He was one of the first who welcomed me when I first came into the portfolio as Minister of Labour, and with his vast experience and kindness he certainly was of great assistance.

In thinking about him, I began to reminisce a little bit, and I got the idea that the political situation as it exists today in the federal field was pretty much the situation that existed in 1943 in the provincial field. Hon. members will recall that, at the dissolution of the Legislature in 1943, there were 59 Liberals, 19 Conservatives, and 2 Labour-Progressives. Then came the 1943 election.

The Liberal party of that day, holding the balance of power in the province, were very similar to the Liberals prior to the last June election in the federal field. They felt they were pretty secure.

A man by the name of Mr. Drew, well known and well respected, a fine political man, had different ideas. Realizing that there was so much that had been left undone over the years by the Liberals in power in the province, he came before the people with the famous 22 points.

I do not think that any question ever received the consideration and the discussion in this House, year after year, as has the 22 points. The Opposition claimed that Mr. Drew fulfilled very few of them. The Conservatives claimed he fulfilled them all.

However, in the 1943 election, to give him a chance to fulfil them, the Conservatives were elected by 38 members. The CCF with 34 members gave us quite a scare at that time, Mr. Speaker. The Liberals returned 15, Labour-Progressive 2 and Independent Labour 1.

That indicated that the public had the confidence in Mr. Drew at that time, that he would fulfil the promises he was making, and they said so in no uncertain terms at the polls.

Then I never will forget, and I do not think anybody who is here will—and I know you were, Mr. Speaker—the big scene on the day the government was defeated in this House.

Hon. Mr. Drew skilfully engineered the government defeat, because like Rt. hon.

Mr. Diefenbaker at the present time, he wanted a clear mandate from the people.

If hon. members will recall, the leader of the CCF party at that time (Mr. Jolliffe), jumped to his feet and thought that he was immediately the new Prime Minister of Ontario, because his party was the next in number. His suggestion received about the same treatment as that of hon. "Mike" Pearson recently in the federal House. The CCF leader demanded that the Progressive-Conservative party resign and let them take over without an election.

Then came the 1945 election, and the Progressive-Conservatives, having fulfilled these promises—having gained the confidence of the people—were returned with 67 members and the Liberals 11 and the CCF were down to 8, Liberal-Labour 3 and Labour-Progressive 2. The mighty had certainly fallen at that time.

Now we come up to 1948. There were Progressive-Conservatives 53, CCF 21, Liberals 13, Labour-Progressive 2 and Liberal-Labour 1.

Now, in 1951 we had a new hon. leader (Mr. Frost) and the public had become accustomed to the Progressive-Conservative party fulfilling its promises, increasing them, and improving the conditions in the country. Therefore the hon. leader at that time, our present Prime Minister, did not have to make a lot of promises. It was not necessary because he had the faculty, and he has retained that faculty, in sensing the needs of the people, what their hopes and their aspirations are—human betterment, he has called it.

Actually it is progress, meeting and foreseeing the needs of the people in such great things as education, labour relations, elimination of discriminatory practices, municipal assistance, hydro development, security of the civil servants. So it has never been necessary for our present leader to make promises at election time.

He might tell somebody that he might build him a road some place, but he does not go out and make a lot of promises. He has never had to.

So, in the 1951 election, the Conservatives were returned with 79 and the Liberals 7—still going down—the CCF 2, the Liberal-Labour 1, and Labour-Progressive 1.

In 1955, there were elected 84 Conservatives, 11 Liberals, and 3 CCF.

It reminds me of that old nursery rhyme: "Oh where, oh where, have the CCF gone?"

Now, Rt. hon. Mr. Diefenbaker was confronted with very much the same condi-

tions in the federal house as hon. Mr. Drew was in 1943.

Having sat in there for a great many years, and having taken a prominent part in the debate and discussions taking place in the House, he knew what the conditions were, and he knew that it would be difficult to oust the Liberal government that had long been in power.

But it was obvious to him that there was much to be done, because this country had, for 22 years, a government that—I would not endeavour to say that they had never brought down good legislation—but they had gradually become dictatorial, arrogant and if ever there was a government in this country which was dictatorial and arrogant, it was that government in the last few years of the Liberal regime. The needs of the people were entirely overlooked.

In fact, that government thought it was so secure that, in answering a question—I do not have the actual statement, but it credited Rt. hon. Mr. Howe with saying: "Ah, who is going to put us out?"

That was the feeling of that government. They did not think it was possible that they could be removed from office.

Now Mr. Diefenbaker knew there were pressing needs. He knew of the desperate need for assistance in the Maritimes, that the old age pension that had been increased by a very small amount by the Liberal party was insufficient in these times. Why, at that time I was negotiating an agreement, Mr. Speaker, with an employer and his employees, and the original request that I had to meet was for 85 cents an hour, which is \$6.80 a day for an increase, and here the Liberal government offered these fine old senior citizens of ours an increase of \$6 a month.

Increased money for the provinces was needed. Mr. Diefenbaker knew that. That is why he said he would call the federal-provincial conference, and he knew that there would be changes made. He had to make promises and he made them, and he was elected.

I will, without going into any further detail on this score, just paraphrase a saying that has been used over and over again, that in the short time that the Conservative government was in power in Ottawa, that never before had a government done so much for so many people in such a little time.

And I believe the people of Canada of all political beliefs, today—Liberal, Conservative, Social Credit, CCF or whatever they are—I believe the general thinking will be to give this man, who made such a wonderful start in such a short time, an opportunity to carry

on. I really believe that. I gather that from talking with my own constituents, who are by no means all Conservative.

I have a couple of things that I would like to draw to the attention of the House for information, namely, The Workmen's Compensation Act and The Niagara Parks Commission Act.

I introduce these things at this time because the status of both have changed. The Niagara parks commission has changed from the position of trying to pay its way and retire a huge debt of many years' standing, to the position of a revenue producer, while the compensation board can now be described, because of its great rehabilitation clinics, as a money-saver.

The board will certainly not contribute money to the consolidated revenue fund or any other government fund, but it is saving money now for the government because of these great clinics which house about 500 people, and therefore make it unnecessary for the government to provide accommodation for them in public hospitals and so forth.

So I think, while neither of these projects have ever received a cent from the fund, it is noteworthy that today the Niagara parks commission is making contributions to services other than its own, and the workmen's compensation board is saving a great deal of money for this province.

Concerning the Niagara parks commission, I want to give you this, Mr. Speaker, just in the form of information.

I felt the hon. members of this House, a great many new hon. members, who were not here in days when many of these things had probably been brought to the attention of this House, would be interested.

The Niagara parks commission was established in 1885, 73 years ago; there were 3 members on the commission at that time. Membership increased to 5, then to 8 and in later years to 11.

The original object was to preserve the lands in the immediate Falls area for public use, free and unrestricted. Niagara Park was the first provincial park in the province.

Now, as to the extent of the park. The original land acquired was a mere 154 acres, comprising Queen Victoria Park as we know it today. Very shortly, the commission was granted all of the water frontage, the chain reserve extending from Lake Erie to Lake Ontario. The park area has been increased year by year, until we now have approximately 3,600 acres of land vested in the commission or under lease.

The parks system consists, in general outline, of a comparatively narrow strip along the river, bulging out here and there into substantial acreages. Now the main areas are old Fort Erie Park, Queen Victoria Park and Oakes Garden Theatre, the golf course, Niagara Glen, School of Gardening, Queenston Heights Park area, Paradise Grove area, Fort George and Navy Hall area. There are 37 miles of main park roadway, 3 miles of secondary or service roads and, of course, numerous paths.

Recently, the policy of the parks commission has been to acquire land to increase its acreage where the land was available and it was deemed desirable to so do. It has acquired the Speaker property at the shipyards—50 acres to widen the parks system there—the Millers Pond at Millers Creek, 115 acres, and the former hydro property around the new reservoir, 110 acres.

Now, the 3 major historical restorations include old Fort Erie, Fort George and Navy Hall. These restorations are substantial and are in fact museums. They have the largest museum displays, next to the Royal Ontario Museum in Toronto.

Regarding commemorative monuments, there is the General Brock monument, the Laura Secord monument, the Governor Simcoe monument, and we are at present having constructed a monument to commemorate the memory of the late King George VI.

In addition, the commission maintains 35 historical sites on the Niagara frontier, which have historical markers.

The paid admissions are one of the reasons why the park has been able to carry itself, and one reason why, I think, the integration of the provincial parks of this province will eventually lead to a situation where these parks will at least be self-supporting if properly administered. Admissions paid at Old Fort Erie, 40,000; Fort George, 66,000; Navy Hall, 19,000; Brock's Monument, 64,000.

Now, for the scenic tunnels under the Falls. Some 210,000 people went down below the Falls where they could view the Falls from the river level rather than looking down on it.

I have always thought the unfortunate part of Niagara Falls was that the visitors stood above the Falls looking down, but if they go down in the tunnels and look up at the water cascading over the precipice, it is a different view entirely.

We have a greenhouse establishment there, overlooking the Queen Victoria Park. It contains 14,000 sq. ft. of glass, 2,000 sq. ft. of cold frames, and we produce for our own use

107,000 bedding plants; 80,000 tulips and daffodils for the park, and 19,000 for cut flowers.

The greenhouses are heavily visited. It is estimated there were 100,000 visitors a year ago to view the wonderful floral displays in the greenhouses. We also have an exhibit in the Royal Winter Fair which has always attracted a great deal of attention.

We have 24 students in the school of gardening: 8 in each year are graduated, taking a 3-year course in practical gardening and horticulture. Qualifications for entry are that the student must be 18 to 23 years of age and have junior matriculation.

Now, this is a very fine school. It is a charge against the commission, but we think that it is a donation to the well-being of Canada, because we do not limit these boys just to this province. Most of these students, after graduating, have secured very worthwhile jobs.

I would suggest to the hon. members of this Legislature that if an hon. member knows of a boy in his own riding—remembering that we can accommodate only 8 each year—but if he has a good boy who would be interested in gardening, we would be interested. It is a very worthwhile career.

I would like to go into detail about what these boys have done after graduation. The landscape people, on railways, big industries, are going in for landscaping in a great way. There are very worthwhile jobs available to them. I wish the hon. members would recommend this school—and I say that to the hon. members of the Legislature, not just to those in the Progressive-Conservative party. We do not eliminate a boy because of any political affiliation nor do we eliminate him if he comes from any other province. As a matter of fact, we welcome boys from other provinces.

Now, our merchandising operations are unique among park organizations on this continent. Last year, we reached a gross net profit close to \$2 million, after providing for depreciation \$556,704. This is a high net profit helped out by the 70 per cent. net profit in our scenic tunnels.

All they sell at the scenic tunnels is the view, and the ride down in the elevator. And it is a very profitable organization.

But all this points up to efficiency of government operation of these places. There are the *Maid of the Mist*, the Niagara Concessions Limited, and the Niagara Spanish car, which are not owned by the parks commission but are leased to these operators, who

pay a rent, and also make a payment after a certain percentage of profit is achieved.

We have a golf course over there that is really developing into a very fine course. It has actually reached a state of maintenance now equal to any on the continent. Some 36,000 players last year played on this golf course.

We have had a very low green fee because we have always felt that this course is like a municipally-owned course, and I and my commission want to keep it within the possibility of the ordinary fellow working in the factory affording to play golf. Golf is getting to be a pretty expensive game if one has to belong to a club to play, and we have kept our rates very low and we served 36,000 players last year.

We now have a large permanent staff of about 250, and it reaches 650 at the peak of the summer season. We have our own staff of tradespeople—carpenters, plumbers, stone masons, painters, mechanics and iron workers—and I will say that it has been our policy over the years to keep our wages, our hours of work, and conditions of employment always in keeping with the wages existing in the area. Our people are civil servants now, and enjoy all the privileges and benefits that civil servants enjoy.

Our policy on all buildings is to use cut stone, and we have a very high standard of buildings. We fight at all times to maintain the dignity of the area. There is no carnival system over there, it is a dignified, restful, beautiful place for people to go.

Two main sources of our revenue are the water rentals and the net profit of merchandising operations. Because of these we have been able to eliminate, within the last 10 years, a \$3.5 million debt. This park, without ever having cost the province one cent, is now debt-free and as I said at the opening of these remarks, it is able now to contribute towards the development and maintenance of other park systems in this province.

Capital expenditures include not only major construction items, but small improvements of all kinds. There are some unpredictable repairs. We had this last year to really rebuild the very heavy Clifton Memorial Arch at a great cost. The masonry was disintegrating.

That is one thing I cannot understand in this country. We had that happen to us, big stones started to move. I read in the paper that, at the entrance to the Canadian National Exhibition, the stonework there has to be repaired at great cost.

I often wonder how these masons of hundreds of years ago built such substantial work in the old country. Buildings there, hundreds of years old, seem to be as solid as they were the day they were put up. I wonder what is wrong with our construction? A great solid arch, built of blocks of stone weighing 1.5 or 2 tons, has to be repaired after the few years it has been up.

Mr. Stewart (Parkdale): The fact of the two-party system just now.

Hon. Mr. Daley: Well, I do not know, but this kind of thing, once built, should be there for at least 100 years without giving it any further consideration.

And another thing we have to be continuously on watch for is the disintegrating, the deteriorating, of the wall of the rivers. Because of the nature of the stone it does deteriorate, so we keep a very careful watch on that and move paths, or whatever is necessary, to assure visitors that there will be no rock falls in that area.

They have had quite a few rock falls, unfortunately for them, but fortunately for us they have all been on the other side of the river in the United States. However, that is something for which the commission is continuously watching.

Now we have an illumination board. Hon. members have seen the lights which illuminate the Falls, and those lights are operated by an international board; the Niagara parks commission; the city of Niagara Falls, New York; the city of Niagara Falls, Ontario; and the Hydro Electric Power Commission of Ontario. The annual operation costs of those lights are about \$20,000.

We have had an old battery of lamps that have been there since 1925 and this board has decided to replace them, by the installation of some 20 lamps estimated to flood the illumination. These lamps are being made in England at the present time and will cost \$154,000.

This cost is shared by those people—the cities of Niagara Falls, Ontario and New York, the parks commission, and the Hydro, as its contribution supplies the power. We have great hopes for this illumination.

It is really marvellous. When they leave the lights out for a half an hour, the crowd disappears. They put those lights on and they are there by the thousands. The illumination is really one of the features of Niagara Falls. And these new lights that we are installing some time this summer will certainly add greatly to the beauty of the Falls at night.

One of our main efforts is provision of picnic areas and facilities throughout the parks and reservations for Queenston Heights and Queen Victoria Park. Use of parks for this purpose has increased year after year. To hon. members who have not been over there recently, I say it is unbelievable the thousands of people who gather along this whole 35 miles now, because we have done a great deal in establishing picnic areas, outside fireplaces and running water facilities, and these are used by people from great distances, during the week ends particularly.

Our policy is the free and unrestricted use of the parks within the regulations. Our policy has been set out, Mr. Speaker, as an over-riding parks policy, to provide an opportunity for visitors to view the Falls, the river and the gorge, to picnic as they choose under as pleasant circumstances as are possible.

I thought it would be interesting at this time to draw this to the attention of the House.

I have a few remarks to make, and I will be as brief as possible, about the workmen's compensation board. The present board considers it a vital principle of administering an Act, such as The Workmen's Compensation Act, to have the provisions of the Act as well as the board's administrative practices known and understood by those receiving the benefits.

One method of putting this principle into practice is the use of information seminars, carried out by members of the board staff, both management and labour. These courses are directed to officials of both management and labour, who may carry the message to those who are under them. Approximately 500 management people and 2,000 labour officials received this course during the past year.

Additionally, the commissioners make many public appearances, and it is estimated that approximately 25,000 people heard the commissioners speak last year. We think that is a great public relations.

Under the same heading, the board also has several publications of informational character. The *News Bulletin* has the widest circulation, being 16,000 per issue. It is noteworthy that this particular publication has been copied by two other jurisdictions, one in the United States and one in Canada.

As hon. members know, the largest single group of employers to be brought under the Act by amendment were those having to do with the retailing of goods, on January 1,

1957. To date, there are 15,455 retailers registered with the board. The natural increase through growth and through minor amendments and changes has added another 1,521 employers.

We would estimate that this adds the coverage of the Act to an additional 200,000 working people.

In total, we consider that there are approximately 1.75 million working people of Ontario covered by the provisions of The Workmen's Compensation Act at the present time.

To administer this Act properly, the board believes that service to the workmen, the employer and those receiving treatment must be the keynote. To accomplish this, the board employs the latest in machine accounting and data processing methods. Newer and better methods of rendering service to those covered by the Act are always being sought. A static position is never allowed to exist in the board's administrative machinery. When a man receives an injury, the board immediately assumes responsibility as his paymaster and medical adviser, and provides other services, and by prompt attention keeps his morale high.

Now the term "rehabilitation" has, in the last few years, had many definitions in many places, and so far as The Workmen's Compensation Act is concerned, rehabilitation does not mean simply job placement, but it does mean to the staff of the board the total rehabilitation of the injured worker.

This involves speedy payment of compensation to keep his mind at rest in respect to possible financial worries, the use of the best medical services that can be obtained in the province of Ontario, the application of physical medicine and occupational therapy, and a physiological approach to the individual workman which will provide him with a motivation to return to work at the earliest possible moment.

The accomplishment of this co-ordinated effort has been an evolutionary process over a number of years.

For some time, difficulties have been traced relative to the hospital rehabilitation centre in the old buildings at Malton. With the completion of the new hospital and rehabilitation centre on highway No. 400, the best efforts may be made to bring the rehabilitation of the injured workman to a high point of efficiency.

It must be remembered, however, that the hospitals and rehabilitation centres confine themselves to the more serious cases, and accommodation has not been arranged for

patients in excess of the present patient load of approximately 510. Those are the 510 people, Mr. Speaker, to whom I had reference when I said the board saves the province money. These men would all be in our public hospitals were it not for this rehabilitation centre. They would have to be, so in this way the board is a money saver for the province.

It is the board's policy to encourage the use of local physiotherapy and occupational therapy, and therefore to stimulate the uses of these local services. Enlargement of the patient load in the board's own hospital and rehabilitation centre has been restricted. We have tried to give the men the treatment that they require in their own areas to the extent that it is possible.

Now, a word of commendation must be given to the medical profession for the co-operation which the profession at large in the province of Ontario has given to the board in administering the Act through its control of treatment under the provisions of the Act.

The acknowledgment of the position of the board by the medical profession and the realization by the profession that the board is ready and anxious to render any and every service to the profession at all times, when dealing with the treatment of workmen coming under the jurisdiction of the board, are most gratifying.

The board has made it a policy to maintain good professional relations with the medical profession, through the attendance of members of the board's medical staff at district meetings of the medical profession, to provide the profession with the assistance that the board's staff may render when the profession itself faces problems in relation to the handling of the workmen coming under the board's jurisdiction.

I think it most important, Mr. Speaker, that this spirit of co-operation between the great workmen's compensation board and the medical profession has been so outstanding.

It is first possible for an injured workman, because of this co-operation, to receive absolutely free the most skilful medical attention that it is possible to render. Certainly the greatest number of them, being injured workmen, would never be able, on their own, to have the services of these very highly skilled professional medical people.

The board's programme of rehabilitation had a most modest conception in 1932, by the establishment of a small physiotherapy unit in the board's offices in the Canada Life Building. It started in a very small way. This

gradually expanded to a point where larger quarters on Richmond Street were obtained.

The larger quarters seemed to meet the situation until the postwar industrial expansion. With this expansion came overcrowding and a realization that some new quarters must be found where the claimants could be housed under one roof.

With much searching of possible sites, it was found that the RCAF terminal at Malton could be obtained. The project of housing and treating at the same location was an experiment, trial-and-error. Industry co-operated to the fullest extent with the board in establishing this clinic.

It has proved so successful that it became necessary to move again, for the reason that the buildings in which the present clinic is housed were temporary buildings, and maintenance cost were becoming pretty high. We also had to have greater facilities, and we now have the new clinic on highway No. 400, with its 15 acres of buildings on a 65-acre plot of ground, and it will represent the most modern rehabilitation centre in this country or, I would venture to say, in any other country.

If they have an opportunity, I would suggest to the hon. members that any time that they are driving along highway No. 400, that they stop and have a look at this great enterprise. It was built and designed only to rehabilitate the injured workmen of this province.

As I said before, the board is anxious to encourage communities to establish their own centres, which the board will purchase, on a fee for service basis in the use of these facilities in the treatment of board cases. Such centres are now in existence in Windsor, and the Lakehead, and other parts of the province.

Workmen's compensation coverage is not compulsory for the farmer, but the farmer may make application to have his employees covered under The Workmen's Compensation Act. Even now discussions are being held between the hon. Minister of Agriculture (Mr. Goodfellow) and the board in relation to the coverage for farmers. One of the great difficulties to establish is a definition for "farmer"—is he one who owns one acre or two acres, or what would cover the term "farmer"? To make it compulsory that farmers be covered would make it very difficult, but a great many farmers do take advantage of services offered and have come in voluntarily to protect their workers under the Act.

I want to stress particularly the cost of administration. In our system under The

Workmen's Compensation Act of Ontario; the workman receives back, in aid and benefits, 88.6 per cent. of the dollar paid in by industry who pay nearly all of it. The pure administration costs 8.6 per cent. The safety associations to which we contribute—all these safety associations which hon. members have heard discussed in this House on many occasions function under the authority of the board and the expenses they incur are paid by the board—require 2.8 per cent. from the dollar paid by industry.

So it is readily discernible that almost 89 cents of every dollar contributed to the accident fund by the employers of Ontario is returned to their workmen, when injured either directly to themselves or to those who render the treatment service at the time of the accident.

Now, contrast this, Mr. Speaker, with the set-up of our nearest neighbour to the south, wherein only 36 to 40 cents of each dollar, paid out by the employer for compensation, are returned to the workmen or those rendering treatment service. That is why I have said, Mr. Speaker, on former occasions that The Workmen's Compensation Act here is the best in the world. It is administered cheaper, it pays greater benefits, and is more humanely administered than any other Act of its kind in the world. We know that, because so many people come from all parts of the world to investigate the system, and tell us.

In addition to the collective liability provisions in The Workmen's Compensation Act, compulsory coverage under the Act is extended to employers such as those operating railways, steamships, municipalities, and so on. These employees are in schedule 2 of the Act, and while it is a system of compulsory workmen's compensation, yet it is a system of self-payment.

In other words, such employers must report accidents to the workmen's compensation board for judication, and must pay the full cost of such claims together with the cost of administration to the board. They are not assessed on a certain assessment per \$100 of payroll, but they do have to pay in full all the costs that would be provided were they under schedule 1 of The Workmen's Compensation Act.

Mr. Speaker, I was glad to have the opportunity to put these two items on record, and I think that for all the hon. members there is some very useful information.

Mr. H. L. Rowntree (York West): Mr. Speaker, in rising to participate in this debate,

and as a relatively new member of this assembly, I of course like to add my good wishes to those of the other hon. members, and I might say that I think the best recommendation anyone can give to another person is from his own experience. I might say that, in all of my dealings with you in this House, Mr. Speaker, ever since I was elected, I have been treated very, very well.

One of the events of the past few weeks, which was of great significance was the appointment of a new Lieutenant-Governor and as the hon. member for York West I wish to record with you the feelings of the people of York West on the appointment of the present incumbent in office. The Honourable the Lieutenant-Governor (Mr. Mackay) is a very much loved man, he has been for many years a distinguished citizen of York West, and we are very proud that one of our citizens should occupy that high office.

I would of course, in my capacity as a relatively new member, extend my good wishes to those recently elected hon. members who have joined us in this House. If they enjoy their term as I have to date, they will be very happy men indeed.

The experiences which one has, as an hon. member, depends a great deal upon a large body of people with whom we come in daily contact and indeed, on whom we rely for great assistance. I refer of course to the civil servants, and it occurred to me that this might be an opportune time to record with you the names of two of those individuals.

Not that I am selecting them against someone else, but I refer in particular to the Deputy Minister of Public Works, that distinguished man, Mr. George Williams, who is the most senior Deputy Minister, I understand, and at the other extreme to the most junior Deputy Minister, Mr. Collins.

Now if they typify the rest of the civil service, I must say that it is a wonderful omen.

Now, sir, in addressing you, I should like to deal with 2 or 3 subjects as follows: I would like to review some of the problems which we face in York West. I would like to refer to our unsatisfied judgment fund, and to the question of compulsory insurance, and lastly to make some reference to the welfare of retarded children.

As you know, York West is one of the largest ridings in this province. It is composed of 3 municipalities: Long Branch, New Toronto, and the township of Etobicoke. It commences at Lake Ontario, where we find heavy

industry and a strong supporting labour force, and proceeds northerly through a fine residential area, and at the northerly limits of our riding we still have some thousands of acres of land left, which probably qualifies our riding as a rural riding.

However, it is this great growth and expansion which creates the problems which beset my riding. It is of some interest to note that, in the entire growth of York West, certain districts have retained their individual names, and I refer in particular to areas such as the Queensway, Bloordale Gardens, Humber Valley, Westway Village, Rexdale, Alderwood and, of course, Islington.

Now these areas, with the type of development we have had, are almost self-sufficient areas. York West is probably one of the few areas where the local newspaper in the metropolitan area, apart from our great dailies, occupies an important place in our community life.

In this expanding community, we have all of those problems pertaining to services, sewers, water, roads and so on. Now we know that these matters can be resolved only if we have co-operation and proceed on a sound financial basis. We have those problems of land development, we have those other social problems of providing for recreation, shopping, industry and housing.

Now it is out of all of these problems, Mr. Speaker, that York West, as a component part of the metropolitan corporation, is very much interested in what the metropolitan corporation does in its long range planning. We are very much interested in Metro.

And, of course, the most important question before the Metro authorities at the moment has to do with the subway, and I say this to you, Mr. Speaker, that my people in York West are very much concerned about this matter. They are concerned as to what the future is going to hold for them, bearing in mind our geographical location and observing that the proposed east-west route would end at the easterly side of High Park.

That is still some miles from our riding of York West, and I ask through you, Mr. Speaker, of the metropolitan corporation, what are the future plans?

What we require is a high speed transit system which will reach the outlying areas, whether it be subway or a surface line. With the proper planning and foresight which must be developed at this moment, we probably would have a fast transit system which, in the years to come, would be the equivalent of a commuter service which has gained so much

attention in the debates in recent years in this House.

I record with you, Mr. Speaker, that the population of central Toronto is moving to these suburbs and that we must provide for them. I would hope that The Department of Planning and Development, and probably The Department of Transport, would take an interest in this problem of commuter services as an essential ingredient of our transportation problem.

York West has grown at a very rapid rate. It was one of the first areas in Ontario, one of the pioneers, to file a master plan for the development of the township. That is Etobicoke; and I think it would be less than fair if I did not say to you, sir, that one of the hon. members of this House, who was the reeve of Etobicoke at that time, the hon. member for York-Humber (Mr. Lewis) was responsible for that original plan in Etobicoke which has been a guide to our development, and in that respect, a good deal of credit is due him.

Now, sir, some of these figures, and I will endeavour to give them quickly, will be of interest. In Etobicoke alone, since January 1, 1957, there have been 115 new industries located in the township, and every last one of them have built new buildings. These businesses and industries range in size all the way from those employing about 10 persons to those employing some 250 people.

Many are new industries, just starting out, but it is important to note this, that every one of these companies and these industries, in locating in Etobicoke, have acquired additional areas to provide for future expansion of facilities in their present location.

With respect to assessment, the ratio of commercial to residential assessment in Etobicoke is on a 35 to 65 basis. With the present opportunities which exist, and the negotiations which are pending for bringing in further industries, it is expected that by the end of 1958, the ratio of commercial or industrial to residential assessment will be 50-50.

New Toronto and Long Branch occupy a somewhat different situation than Etobicoke. Those areas were built up on the Lakeshore road some years ago, and most of their available land has been disposed of and is presently occupied. But, as some hon. members know, some of the leading industries of this province are located in New Toronto and Long Branch. These include such firms as the Anaconda Brass Company, the Campbell Soup Company, the Goodyear Tire Company, and many others. The importance of this is the

fact that they provide employment for our people.

Now sir, one of the interesting things to me about this great residential expansion, and I think it is a significant factor, is that this growth has been accompanied in all of the residential areas by a parallel development of new churches. In Etobicoke, there are some 40 Protestant churches including 5 new ones which have been opened within the past 12 or 15 months. Each of these churches serves about 600 families, the larger ones up to 1,400 families.

There are approximately 5 Roman Catholic churches in Etobicoke and 1 each in Long Branch, New Toronto, and Mimico. Of these, 3 have been built in the last year and, another new church, St. Gregory's, is now established in the community, but is only now about to proceed with its building. There are at least one or two new Catholic churches planned for the area in the near future. Each of these churches serves some 800 to 900 families.

It is apparent, therefore, that our religious instruction attracts an increasing number of people, and it is only on such an adherence to the church that a sound community can be built.

Now, sir, we have heard in the last couple of days a good deal about education, and I think that it is important for me to mention our educational problems in York West, because I think that some of the hon. members do not realize the problems that we have with a large population. Many people think that we are just a small community.

In Etobicoke alone, we have 43 schools. I might say that all told in the entire York West riding there are 52 schools, with a total of 772 classrooms. At present, we have some 28,000 students in the primary and secondary categories. It is my hope, therefore, that hon. members will understand how much we are interested in what the hon. Minister of Education (Mr. Dunlop) has to say when he discusses further his budget for that department.

In York West we have many people, young men and women who are growing up and who plan on becoming teachers and adopting that as their profession. It is my hope that the hon. Minister of Education and the hon. Minister of Public Works (Mr. Griesinger) might very well take this matter up, and I am suggesting, and I had hoped, that some institution might be allocated to York West, and I urge this most sincerely. I think that the question of decentralizing our buildings

and schools and colleges might very well be accomplished by the location of a major building in York West.

When we consider the position which York West occupies in relation to the westerly end of Toronto proper, and the part of the province lying immediately to the west, we will understand that the traffic problem is one of great importance to us. It is one of importance to us locally, for us to get to work, but on the other hand, it is through our riding that all the people from the west have to travel when they are coming to Toronto.

And, again, I would be more than remiss in my duty if I did not say to the hon. Minister of Highways (Mr. Allan) that the people of York West are very pleased at what his department has done in trying to solve this terrible traffic tangle.

We have recently completed the first tri-level superstructure, in York West, to be constructed in Ontario, and on that project a total of some \$4.5 million was expended. There is a second subway under construction on Bloor Street, and plans are moving ahead rapidly for the widening of highway No. 27 south of the Queen Elizabeth way to the Lakeshore road.

When all of these are completed, no doubt our population will have grown again, and I am sorry, but I probably will have to take the matter up with the hon. Minister at that time.

Mr. Speaker, one of the things that I, as a lawyer, am interested in has to do with the question of the enforcement of law and the uniformity of sentences. A number of my people have discussed this with me, and I raise the question in order that the hon. Attorney-General (Mr. Roberts) might give the subject his consideration.

I realize that the problem of uniformity of sentences or of punishment which one judge metes out, as against what another judge or magistrate metes out, is a very difficult matter. I, frankly, do not know what the answer is, but it is something that goes to the very root of our judicial system. I think I would have made my point if I simply left it at that, with the earnest request to the hon. Attorney-General that he take the matter under advisement.

The other aspect of law enforcement is one which I raised in committee last year, and I am going to illustrate my case by this example.

The courts today are overcrowded. The magistrates' courts do a tremendous and large volume of business. It must be tedious work

for the Crown attorneys, and it must be tedious for those other officers engaged there.

However, I cite a situation which has been brought to my attention, and I would hope that this would be an isolated situation.

There was a case before a certain magistrate in Ontario where the proof of the prosecutor's case involved proving one essential point of fact. That was not done. When it was drawn to the magistrate's attention that there was no case against the accused, for the reasons stated in the terms I have cited, the court replied: "Well, I'm sorry, but if I insisted on that point of proof in all the cases which I have before me, I wouldn't be able to handle or do the business this court is faced with." And that was the end of it.

Now I want to be scrupulously fair about the point I raised there, because I know that the person in that instance was guilty. I also know that the proof of that point could have been made, but the omission of that proof is rather an important element in our system of law, and I say this, that if that proof is not to be made, then The Traffic Act, or whatever the pertinent legislation is, should be changed so that the proof is not required any longer, rather than permit the magistrates to go on the basis that "we are not going to require that proof and I will establish my own judicial procedure."

May I make a brief reference to a news release which came over the radio this morning which referred to a prosecution under The Food and Drug Act. The news reporter referred to the fact that the investigation had been made in January of 1957 but the

charges had not been pressed by the hon. Attorney-General until January of 1958, one year later. I say this because I have some knowledge of these present charges being preferred against many of our citizens, and the fact is that the hon. Attorney-General of Ontario does not have anything to do with it. It is a question of the federal Department of Health and the law officers of the federal government. But I think it is a good example, further to the point I am trying to make, that this is not the kind of prosecution which our citizens are entitled to have—to have a case investigated in one year, and have the charges laid 12 months less 3 days later.

Noting the clock and the hour, at this point may I move the adjournment of the debate.

Motion agreed to.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before moving the adjournment of the House, I would say that tomorrow we will proceed with the calling of some bills for second reading, and probably the House will go into committee of the whole House to deal with some bills, and then we shall have the adjourned debate on the speech from the Throne.

Hon. Mr. Roberts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.00 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Friday, February 28, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, FEBRUARY 28, 1958

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Motions.

Introduction of bills.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, before the orders of the day, I want to ask the hon. Minister of Highways (Mr. Allan) a question arising out of statements he made in the House yesterday and, more particularly, from an article from this morning's *Toronto Globe and Mail*. The headline reads: **ONTARIO-WIDE CHECK IS ORDERED OF RACKET IN DRIVING LICENCES.**

Now, I just want to say, in prefacing my question—and I will be only a moment—that I feel, Mr. Speaker, that one of the deterrents, and not the smallest one at that, to the success of the hon. Attorney-General's drive for lowering the accident rate in this province, and decreasing the number of people who die and are injured in and from motor accidents, has been at the examiner level.

The question I want to ask the hon. Minister of Highways, and ask him seriously, is this: Does he feel it is now time to examine the examiners as to their fitness for the task assigned to them, and particularly, does he feel that he should require greater qualifications from holders of these jobs than that they are good party followers and good supporters of the government?

Now, it may be, Mr. Speaker, that in the past this has been the practice, but we are dealing, as the hon. Minister knows, with a very serious problem here. This one aspect of appointees, it seems to me, should be lifted out of the realm of politics and based on ability and qualification. So I ask the hon. Minister: Does he follow that line and does he agree with what I have suggested to him?

Hon. J. N. Allan (Minister of Highways): Mr. Speaker, may I say, in replying to the

question of the hon. leader of the Opposition, that his question reminds me of the magistrate who asked the man charged, if he had stopped beating his wife. I say this because we do examine the examiners, that is a regular matter of routine. We are most particular in the selection of these examiners. The hon. leader of the Opposition asks if I think that it is time that a different system be instituted. In reply I may say that as quickly as possible, with due care, and with the thought of gaining experience as we proceed, we are developing a system of examining by full-time civil servants.

I would be very happy if the hon. leader of the Opposition would come over to Hamilton this afternoon, when we open a new centre in Hamilton which will be manned by civil servants. We opened one in London just a short time ago. In the Metropolitan Toronto area, we have two such examining centres now, and another one almost ready to be opened at Port Credit.

Now, concerning the difficulties that have arisen in connection with the statement yesterday, I may say that the present situation which has developed in the Lakeview area does not concern the examiner's qualification to examine, but rather that a charge resulted from an alleged failure to examine as required under The Highway Traffic Act.

Mr. H. A. Levi, the examiner in question, was a properly qualified person to conduct an examination, but was alleged to have failed to carry out the instructions contained in the manual for examiners.

This manual stresses the importance of a complete check of the applicant's ability to drive and his knowledge of the law, so that in reality, the difficulty in this instance was not whether or not the applicant was properly examined. The alleged charge was that the applicant was not examined. Therefore I find very little difference in the thinking of the hon. leader of the Opposition and our department, in this respect. We recognize fully the advantage of proper examination of those persons who will drive automobiles. We are steadily progressing—I am sure that this is true—in greater care concerning the examination of the applicant for a driver's licence, but also in checking the record of that person's driving.

Legislation will be introduced in this House in the next few days which, I am sure, will be considered by everyone to be a very forward step in licencing control of automobile drivers. This manual is the guide concerning the instruction of driver examiners, that is those who operate on a fee basis, which practice will be gradually discontinued in the province as we are able to set up the system which is now being inaugurated—that is, of examination by full-time civil servants.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, will the hon. Minister permit a supplementary question? What about the licencees who have been licenced without an examination? Will they be required to take additional tests before they are again licenced?

Hon. Mr. Allan: Mr. Speaker, I may say we hope that, through the co-operation of Mr. Levi, we will be able to establish all those persons who were not examined, and will of course require that they be examined, or that their privilege to drive be withdrawn.

Mr. Wintermeyer: What about the money that has been paid? Will it be refunded to these people?

Hon. Mr. Allan: We did not receive the money.

Mr. Wintermeyer: Well, the department's agents certainly did.

Hon. Mr. Allan: That statement would appear to be incorrect.

Mr. Wintermeyer: Is the hon. Minister going to refuse restitution to these licencees?

Hon. Mr. Allan: Well, how can we refund something that we have never had?

Mr. Wintermeyer: Well, the agent has it.

Hon. Mr. Allan: The whole matter is in the courts.

Mr. Wintermeyer: Well, just a moment. It is not in the courts at all. It is in the criminal court. I am talking about a civil right that these people have to restitution.

Hon. Mr. Allan: Well, Mr. Speaker, with all due respect, I think the hon. member for Waterloo North is probably not in possession of all the facts. Money is alleged to have been received by persons who have nothing whatever to do with our department.

Mr. Oliver: May I say to the hon. Minister that the figure of 150 is used in the *Globe*

and *Mail* story of this morning. Is that an accurate figure insofar as his investigation has gone?

Hon. Mr. Allan: Mr. Speaker, I think the hon. members will recognize the fact that the investigation is being carried out by the police. I have no knowledge of any such amount having been paid. I suspect that I do not have the full information that is in the hands of the police, and I would gather that that figure had been obtained from the police. It was not obtained from any member of our department, and I am not aware of the amount of money which was paid by these persons, so I am really not in—

Mr. Oliver: I do not want to press this, but my hon. friend misconstrued what I said in some way. The number of people who were given licences, who should not have received them, was said to be 150. Is that an accurate figure, or is there more than that or less?

Hon. Mr. Allan: Mr. Speaker, I understand indirectly, because I have not spoken to the police, that in a statement which has been made, some such number has been indicated by Mr. Levi. But the investigation is continuing and I suspect that no one knows definitely, at this time, how many there were.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1. Annual report of the teachers' super-annuation commission for the year ended October 31, 1957.

2. Third annual report of the telephone corporation of the province of Ontario for the year ended December 31, 1957.

Mr. Speaker: Orders of the day.

THE JAILS ACT

Hon. M. B. Dymond moves second reading of Bill No. 99, "An Act to amend The Jails Act."

He said: Mr. Speaker, this was rather fully explained when the bill was introduced. To recapitulate, may I say the provisions of the amendments are to alter the name of the chief official in The Department of Reform Institutions. In the old Act, it was Inspector, it is now Deputy Minister, so that the word "Inspector" is changed throughout to the now applicable term "Deputy Minister."

Secondly the amendment takes away, from the county and district sheriffs, all control of administration of the jail. This was one of the recommendations put forward by the

select committee in 1953-1954, and is now being implemented. It has also been asked for repeatedly by the sheriffs' association; they put forth good reasons why this should be done. The move is also concurred in by The Department of the Attorney-General and The Department of Municipal Affairs.

The further amendment is to relieve the municipalities of paying for the transport of prisoners from the county and district jails to our institutions. This cost has been greatly reduced by new methods of transportation introduced by the department. The total amount recovered by the provincial treasury in the past year was something of the order of \$30,000, and its collection has become more or less a nuisance to the municipalities now.

This move is concurred in also by The Provincial Treasurer's Department, The Department of the Attorney-General, and The Department of Municipal Affairs.

Mr. H. Worton (Wellington South): May I ask the hon. Minister a question? Has the present Deputy Minister not been called Deputy Minister, or has it been just in name only?

Hon. Mr. Dymond: Mr. Speaker, I did not get the question.

Mr. Worton: Is there any change in the present Deputy Minister's position now, as the present head of that department?

Hon. Mr. Dymond: No, not at all, Mr. Speaker. The Act has never been changed since the department came into being as a separate department of government. The term "Chief Inspector" was used while the department was under the control of The Provincial Secretary's Department and The Department of Public Welfare. The Act should have been brought into line some time ago.

Mr. F. R. Oliver (Leader of the Opposition): I would like to say, Mr. Speaker, and it is a strange group of words to fall from my lips, but I think this is good legislation, and it emanates, as the hon. Minister has said, from the report of the committee which examined into these matters a number of years ago.

While it does not carry into legislation all the committee's reports, these changes were very basic in the committee's report, and I congratulate the hon. Minister for bringing them in at this time.

I hope that in the ensuing years, if he is in his present position, that he moves forward the implementation of still other recommendations of the committee's report.

Motion agreed to: second reading of the bill.

THE DIVISION COURTS ACT

Hon. A. K. Roberts moves second reading of Bill No. 96, "An Act to amend The Division Courts Act."

He said: Mr. Speaker, I have not much to add to what I said on the first reading. The amendments embodied in this bill are quite clear, I think.

One of them is to make it so that the plaintiff does not have to appear personally on the entering on a default judgment of division court where the service of the summons takes place in some jurisdiction other than where the plaintiff resides.

Section 129 (4) is a new provision to insure that a judgment given by a division court against a garnishee is limited to the normal jurisdiction of the division court.

If any hon. member wants this to go to the committee on legal bills I will be glad to send it there, and it is pretty procedural, I think.

Motion agreed to; second reading of the bill.

Mr. Speaker, I move that you do now leave the chair and the House resolve itself into the committee of the whole.

THE JUDICATURE ACT

House in committee on Bill No. 57, An Act to amend The Judicature Act.

Sections 1 and 2 agreed to.

Bill No. 57 reported.

THE MAGISTRATES ACT, 1952

House in committee on Bill No. 58, An Act to amend The Magistrates Act, 1952.

On section 1:

Mr. Wintermeyer: Mr. Chairman, would the hon. Attorney-General inform the hon. members why no limitation is included in that particular section? To be more specific, the section itself would permit magistrates to make their own determination as to when books, documents and other valuable papers in their possession can be destroyed.

Now, obviously, it is necessary that they be destroyed some time. I am just wondering whether or not this would invite some magistrate, I hope it would not but it might conceivably happen, that somebody would destroy documents before they had been kept on file for a reasonable length of time.

Hon. Mr. Roberts: Mr. Chairman, the practice, I understand from the inspector of

legal offices, has been for documents to be destroyed depending on the space requirements of the respective magistrates, after retaining them for a number of years. The reports of the magistrates are kept on file in the office of the legal inspector more or less indefinitely, and they can be referred to by the inspector of legal offices for general content long after they might have been destroyed in the office of the magistrate.

However, with this amendment, it is contemplated that a regulation will be prepared after discussion, and probably a 10-year period would be sufficient.

I would draw my hon. friend's attention to the 1952 Statutes of Ontario, section 21, dealing with regulations, and I think that the regulations will probably put on a 10-year limit.

Mr. Wintermeyer: Mr. Chairman, a 10-year period would seem reasonable. Does not the hon. Attorney-General feel that this type of provision should be incorporated in the bill itself? Is not there a tendency to rely too much on regulations which can be effected after the bill has been passed?

Hon. Mr. Roberts: If the hon. member feels it is necessary we might do so. Section 21 of The Magistrates Act now reads that the Lieutenant-Governor-in-council may make regulations fixing the period and manner in which monies may come into the hands of magistrates, specifying the returns to be made, providing the safe keeping and inspection of documents, and so forth. I think that is under that section already in the Act.

I can assure the hon. member that we will in all probability put in a period of about 10 years. I shall undertake to let him know what we are thinking of doing, if there is any change from that.

Mr. Wintermeyer: Can the hon. Attorney-General give us that undertaking, that it would be 10 years?

Hon. Mr. Roberts: I will give the undertaking subject to this: If, in the discussion about it, something turns up to show that this would not be practical, the period may be varied.

Sections 1 and 2 agreed to.

Bill No. 58 reported.

THE COUNTY JUDGES ACT

House in committee on Bill No. 59, An Act to amend The County Judges Act.

Sections 1 and 2 agreed to.

Bill No. 59 reported.

THE SURROGATE COURTS ACT

House in committee on Bill No. 60, An Act to amend The Surrogate Courts Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 60 reported.

THE PUBLIC TRUSTEE ACT

House in committee on Bill No. 62, An Act to amend The Public Trustee Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 62 reported.

THE SUMMARY CONVICTIONS ACT

House in committee on Bill No. 63, An Act to amend The Summary Convictions Act.

Sections 1 and 2 agreed to.

Bill No. 63 reported.

Hon. Mr. Roberts moves that the committee rise and report certain bills without amendment.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills without amendment and begs leave to sit again.

Report agreed to.

SPEECH FROM THE THRONE

Mr. H. L. Rowntree (York West): Mr. Speaker, yesterday it was my privilege to move the adjournment of the debate on this very important matter, and matters which are presently before the House. It is also my privilege to continue and open the debate today, and for the benefit of the hon. members who were not in their seats yesterday I will give them a short but quick summary of what I said.

Now, Mr. Speaker, what I said was this, that York West is probably the most progressive riding in this whole province. The fact that it is progressive, and occupying and enjoying such an experience of expansion and continuing growth of our province, makes it that we in York West are very much interested not only in what goes on in this House, but in what the Toronto metropolitan corporation does.

Therefore, I want to repeat this one point in particular, that is, when we talk about

subways, I am not content, as the member for York West, to discuss a subway ending part way to the suburbs. I must remind everyone who is concerned that it is a very important aspect of the problem for the metropolitan corporation to lay before us now, just what they have in mind for the next 5, 10, 15, or 20 years.

It is going to be only a matter of 5 years before we have such a great growth, and such a large population, in York West that this fast transit system will be of paramount importance.

It already is today, but it will be more so in the future, and I repeat what was said yesterday, that this fast transit system probably will become the basis of a fast commuter system which will be a requisite and a necessity to the well-being of this metropolitan area.

I informed the House yesterday, Mr. Speaker, of a little about the background of York West.

Firstly, I dealt with the problems we have out there.

Secondly, I reminded the House that the problems of York West are really the problems of this entire province. The reason I say that is this, it has only been a few years since York West was a rural riding, and on many occasions when I have spoken in public, and many times in company with some of the hon. members of this House, they have taken some degree of amusement from my remarks that York West is really a rural riding.

I still say it is a rural riding, perhaps with slight city tendencies, Mr. Speaker, but the problems which we are enduring out there just are not to be set aside and regarded as problems of a metropolitan area. I say this because the rest of the hon. members of this House, who live in towns and villages, are going to endure these very same problems which arise from this tremendous growth of our province.

I am issuing an invitation to every hon. member of this House to come and see York West, have a look at the problems we have had to face, and have a look at how we are facing them.

Mr. W. J. Stewart (Parkdale): What about Parkdale?

Mr. D. C. MacDonald (York South): There is a little doubt in there.

Hon. G. H. Dunbar (Provincial Secretary): I would just like to ask the hon. member a question about the problem of York West.

Has he thought about west Ottawa? It is the problem of the whole Dominion of Canada now.

Mr. Rowntree: Far be it from me to get into a discussion with the hon. Provincial Secretary, but I will admit that he has had some problems, and I hope he solves them as well as we are solving them in York West.

Of course, I do not think that anybody here would deny the importance of women in the community today and I say this, Mr. Speaker, that I just defy any hon. member of this House to take issue with the question whether or not there is a place for women in the community.

Mr. MacDonald: The hon. Provincial Secretary has a big feminine problem down there anyway. He has a problem named "Charlotte."

Hon. Mr. Dunbar: I would not go home if there was not a place for women.

Mr. Rowntree: I am glad to see that the hon. Minister of Health (Mr. Phillips) is here today, because one of the great problems that has been brought to my attention as recently as noon hour, today, is one I think I should mention to you, Mr. Speaker. I was invited to a private luncheon today. There were to be 6 of us there, and when I got to that luncheon, there were only 2. The reason the other 4 were not there was because they had colds and I have been asked to bring this question of the common cold before the House and ask the hon. Minister of Health what is being done about it.

An hon. member: Why not ask the hon. Minister of Reform Institutions (Mr. Dymond)?

Another hon. member: Ask him to cough up that information.

Mr. MacDonald: How about that fiery hon. member for Lanark (Mr. McCue)?

Mr. Rowntree: Now, in spite of any of these rude, or improper remarks which are being made, I think I would be on safe ground if I said this, that having raised the point, I am perfectly certain that the hon. Minister of Health or the hon. Minister of Reform Institutions will do something about it.

At close to the closing hour last evening, I made reference to certain prosecutions under The Food and Drug Act, and the reason I did so was not to direct any criticism to any person in particular, but it was to draw the attention of this House to the importance of our British system of justice.

I say this to you, sir, that where charges of a quasi criminal nature are laid, or even charges involving statutory offences, there is no room in our system of justice for a delay in laying a charge one year after the investigation has been made and the facts gathered together. It is not fair to the public if an offence has been committed. The public must be protected, and whatever wrongdoing has gone on must be stopped.

On the other hand, if an offence has been committed, the accused is entitled to be informed of it so that he can make his defence in accordance with the long established principle of our judicial system.

One of the matters which I raised before one of the committees last session had to do with what I call the uniformity of law enforcement—the uniformity as it exists with particular respect to the local municipalities.

What I am getting at is this, that there are some areas which are responsible for a policy of law enforcement, which of course, determine that policy themselves, either through a chief of police or through a police commission. My people in York West are very much concerned with this, not because of the system which we enjoy and are proud of in York West, but because of the experiences which its citizens encounter in some other parts of the province.

I give the example of traffic being moved quickly in the public interest. Now, I think we all agree that traffic must be moved in the public interest, and we also know that scientific investigation has proved and established that speed of course is not necessarily a contributing factor to accidents. What I am saying is this, that I think it is a crying shame that in any area, the police officers, acting under instructions from their police chief or police commission, should be parties to a situation where at one hour of the day, they are helping move traffic through that area regardless of speed, provided however, that the safety factor exists, and having moved those thousands of vehicles during any one period, should two hours later, or at some later period in the same day, at the same location, instruct the same police officers or their replacements to stand there and operate traps.

I say that that is not only immoral, it is amoral. I say this, that if this is a money-raising device, then it is wrong and it must be stopped. Charges, offences under any statute and the penalties provided therefore, those things are provided and exist as a deterrent to law breaking. They are not to be used as revenue-producing factors, and I say

this, Mr. Speaker, that if there are any municipalities which even budget for revenue from such a source, they are on a wrong moral and legal principle.

What we want in this province is a uniform policy in all municipalities, which is consistent with safety and in the public interest, a policy which includes respect for civil liberties as well as a uniform policy of enforcement.

Now, I was sorry that I did not finish my address yesterday afternoon, because I did not get to the part that I wanted to lay the emphasis on, and so hon. members will be appraised of the situation, I am now coming to that part. I just want hon. members to be alert over there on the other side of the House.

The subject is one I want to deal with in some detail, and I do not think it will be boring detail. I think it will be detail that will interest and possibly intrigue most of the hon. members here today. It has to do with a very popular, certainly the presently popular subject, of compulsory insurance as an alternative to our existing system.

Of course, sir, my attention must be directed to you as the Speaker of the House, but out of the corner of my eye I can see them sitting up already on the far side of the House.

Mr. Oliver: To be forewarned is to be forearmed.

Mr. Rowntree: I just want the hon. members of the Opposition to be.

Mr. Wintermeyer: We are, we are.

Mr. Thomas: We are not going to listen, we are not interested.

Mr. Rowntree: I think I should say, for the benefit of my hon. friends over there that I am talking without regard to any articles which have appeared in the Toronto press during this past week, because what I have to say is my own.

Mr. MacDonald: The article says that Queen's Park is considering it now.

Mr. Rowntree: Well, now, Mr. Speaker, I am speaking as the hon. member for York West—

Mr. MacDonald: That surprises me.

Mr. Rowntree: I think that if the hon. members on the other side will just wait to hear what I have to say, they will be more intelligently informed.

Now, what is the problem that we have to face in this situation of automobile accidents? Well, the problem is this, that we have to find a way whereby an innocent victim of an accident may find restitution for a part, at least, of the damages he has suffered. Under the present situation, of course, that minimum provides a gross fund of \$20,000 for personal injury or a maximum of \$10,000 for any one person. On the property damage side we have a maximum limit of \$2,000.

There is a difference between the amount of \$2,000 which the unsatisfied judgment fund provides for property damage—a difference from the minimum property damage limit under The Insurance Act for the standard automobile policy which is \$5,000. And while I had no part of writing that legislation, nor of the regulations it is under, I would think that the reason that the unsatisfied judgment fund has a \$2,000 limit for property damage, as against the \$5,000 under the minimum policy, is that our prime concern is toward the personal injury factor as the most important item which requires protection in the public interest.

Before going on, Mr. Speaker, with my remarks, you are aware that the unsatisfied judgment fund operates under The Department of Transport.

That is one of the things with which that hon. Minister (Mr. Allan) is charged.

The details, however, of some of the procedures rest with the hon. Attorney-General (Mr. Roberts), and before going on I should say this to you, Mr. Speaker, that this is a subject in which I am interested, and that I am satisfied there is a good deal of misunderstanding about it.

At the outset of my considerations I went to the hon. Minister of Highways and told him that I would like to deal with this subject, and that I wanted to secure some information. I also went to the hon. Attorney-General and I told him the same thing, and it would not be fair to either of those hon. Ministers of the Crown if I did not say that I received an unlimited instruction to make whatever investigation I cared to within either The Department of Transport or The Department of the hon. Attorney-General.

I also made the fullest opportunity of those invitations, and I have spent many, many hours with representatives and officers of The Department of Transport and with the officers of the hon. Attorney-General's department, and my remarks today are based on the findings which I have secured.

I would not be fair to any hon. member of this House if I did not say that my conclusions are these:

The proposition of a compulsory insurance fund is fraught with uncertainties and other detrimental factors which are extremely difficult to resolve. On the other hand, in spite of certain deficiencies that might exist in our unsatisfied judgment fund procedure, and the allied factors which go with it—our safety campaign and others—I must declare at the outset that I am going to speak against the proposition of compulsory insurance.

Now, what is the real factor with which we are concerned? We are concerned with the public interest. That is the paramount thing that any of us has to deal with in this House. I am not interested in establishing another government department, a government-controlled department, nor am I interested in the expansion for this purpose of any existing government department.

When I was elected some 18 to 20 months ago, I said that I was against too much regulation and that the fewer laws we had the better. Let us have regulation and statutes pertaining to the things that we need, but we do not want the House or the people burdened with laws which just clutter up the whole picture.

Let us look at this situation and of course, as hon. members know, this is primarily a legal matter. The important factor to keep in mind is that a plaintiff, being an injured person or a person who has suffered damage must establish his case; he has a right to recover against the wrongdoer in any event by bringing a court action or negotiating a settlement.

That is the situation, whether the wrongdoer is insured, or being uninsured has financial resources of his own. It is also the case where the wrongdoer has no insurance and has no resources of his own.

I tell you, Mr. Speaker, that no insurance company today pays any claim unless it is satisfied that its insured party is to blame and consequently is responsible in law for the damage caused. And then, even then, they pay only up to the limits of the policy which may be the minimum limit of \$10,000, \$20,000 and \$5,000, to which I have referred before.

The provisions of the unsatisfied judgment fund provide for payments if the defendant or the wrongdoer has no financial resources or assets to pay the judgment, and in this situation certain rules are laid down whereby an injured plaintiff, having proved his case,

as he probably would have had to do had the defendant been insured, may seek payment out of the fund.

Now, who is there in this House who is going to force the people in the rural areas of this province, who drive their vehicles infrequently, to take out insurance which they do not want?

But what do we say of the irresponsible motor vehicle operator who is financially irresponsible and cannot pay the judgment against him?

Two things happen to him. If he has no insurance, and this is the main one, the unsatisfied judgment fund will pay, and until he reimburses the fund or makes some acceptable arrangement for reimbursement, he loses his ownership and operating privileges.

That latter factor is the second thing which happens to that individual. And I say, why not? He had his chance. He is not the person we are concerned with. We do not need to spend our time worrying about what happens to the irresponsible person who refuses to accept his duty, his responsibility to the public.

We are concerned with the innocent person who has been damaged, and under the fund provisions he recovers on the \$10,000, \$20,000 and \$2,000 basis.

Hon. members say that is not enough, that any judgment in excess of those limits is not recovered. That is quite so, Mr. Speaker. But any excess over the limits of an insurance policy are not recovered, either, if the wrongdoer has no asset.

So we have a common denominator as to what this fundamental problem is. I suggest that, on this ground alone, liability insurance *per se* offers no advantage to the innocent victims over the fund system.

Should this Legislature desire to increase the minimum insurance policy limits, and the corresponding limits payable out of the fund, that is another question entirely. But the situation as it exists today is the basis upon which I am proceeding.

Of course, connected with any traffic safety programme, we must allot some consideration to the demerit system. Experience in other jurisdictions proves that the demerit system does reduce the frequency of accident claims. The publicity which results from such a system has a salutary effect on the motoring public. They become safety conscious, and indeed voluntarily see where their own salvation lies and take out their own insurance.

The reason I mention that latter point is that it is in their own interest as well, quite

apart from what we are talking about here today, that people protect themselves against the eventuality of a substantial claim being made against them.

At this point, may I interpolate this observation, that it was only this morning I received a memo in my own office with respect to a certain citizen of this province, that the cost of raising his overall insurance limits from what is called all-inclusive coverage of \$300,000 to \$1 million would be \$3.75.

Now, compulsory automobile insurance involves another factor; consideration of the establishment of a rating bureau. The initial cost of such a project would probably be at least \$300,000, and would require a minimum of 3 years to establish itself. Such rating facilities already exist in the companies who are established in business.

Now what do we say about territorial rating as against flat rating? Of course, the reason I am talking about rating is that any system of compulsory insurance must of necessity take these items into account, not only take them into account, but they have to be resolved. Flat rate proposals are naturally advocated by persons resident in the high rate areas; similarly those from low rate areas complain that they should not be burdened with the high rates caused by others than themselves.

I think the suggestion is perfectly reasonable. The man who causes accidents should be required to pay more for his insurance protection or be taken off the roads. Once again fallacies arise. Accidents happen anywhere, but the motorist is rated under the territorial system where he normally resides. I mention these matters to illustrate the problems which exist in dealing with this complicated subject.

One of our aims is to establish a system which reduces human suffering—a system which protects the innocent person who has suffered damages at the hand of financially irresponsible people.

The whole system of compulsory insurance falls by the board when one considers that the word “compulsory” is meaningless because our highways are open to visitors, our highways are open to people who drive without permits, and to others who through some circumstance do not in fact carry insurance.

Therefore it is my opinion that any attempt to apply the so-called compulsory insurance scheme—if the innocent public are to be protected, and that is what we are primarily concerned with—would and must involve a

fund of last resort, or an unsatisfied judgment fund in any event.

There is frequent reference in the press to our judgments, and the fact that those large judgments have not been satisfied. That situation exists almost every day under any scheme, even where insurance applies, because the financial responsibility of the wrongdoer who is insured only applies up to the limits of his policy and such other assets as he possesses. If he has no assets beyond that to pay the judgment, then his insurance has not provided the necessary funds to cover the claim of the innocent person who has suffered.

So again I interpolate this observation, that any scheme of compulsory insurance would of necessity have to have, or establish, its own minimum limit, and therefore claims which exceed those minimum limits would not be covered or not provided for.

I remind hon. members again that insurance companies, or the insurer, pays only if its insured party is responsible in law, and I defy anyone in this House to tell the House, or to advance the proposition that, any insurer under a compulsory insurance scheme would pay under any other than that basis, where legal liability exists. That principle of liability is one which I am sure is misunderstood by most of those who urge compulsory insurance as the answer to all our pains and troubles.

Not just for the record but as a matter of primary interest, there are many situations which are not covered by insurance, and which could not be covered by any compulsory scheme.

I cite these examples: automobiles from out of the province, visiting here, which are not insured; cars from a province, although insured when registered, may have ceased to be insured; the situations of stolen automobiles being involved in accidents. There are farm vehicles and other situations and as far as Ontario is concerned, all of these situations would not be covered by a system of compulsory insurance.

But this, Mr. Speaker, I ask you to hear carefully. Notwithstanding those exceptions, they are covered today, not under any insurance scheme, but those exceptions where liability exists, and where an innocent person suffers, are covered under our unsatisfied judgment fund.

I now come to a part of this discussion which is not particularly pleasant for me, as a lawyer, to present, but I shall proceed with it. I give what I might call a bird's eye view

of the operation of the unsatisfied judgment fund.

There are two types of action, or lawsuit, which are involved, and hon. members understand that the question of establishing liability is fundamental to any kind of claim being faced.

Firstly, there is the normal action where there is a known defendant who is alleged to be responsible for the injury or damage.

Secondly, there is a category under the heading of "registrar's actions," and this is where the fund differs from any scheme of insurance. Where the injury was caused in a hit-and-run accident, and the court is given leave to sue the registrar of motor vehicles, then the plaintiff proceeds in that way to recover his damages or a part thereof.

Now, with respect to registrar action, there are not many of them. Firstly, there are about 40 in a year. Secondly, there has been no criticism of any kind raised in connection with delay in payment and so I do not propose to discuss that further.

With respect to normal actions there are two aspects. Firstly, there are those proceedings in the action to obtain a judgment and, secondly, the proceedings after judgment, to obtain payment out of the fund.

Now, normal actions are conducted before judgment without regard to the fund. They proceed in their normal course, just in the same fashion as though an insurance company were defending the action, with two exceptions.

Firstly, all persons who might be liable must be sued. To me that is perfectly reasonable. If the offending vehicle was not driven by the owner, both the owner and driver must be brought before the court. If more than one vehicle may have been responsible, all owners and drivers must be joined. I say that this is a necessary and logical protection for the fund.

Now, if a defendant defaults at some stage of the case, for example, failing to file his appearance or deliver his defence, or not appearing at the trial, then the hon. Minister must be notified and, if after investigation, if a defence is warranted to protect the fund against a contestable or exorbitant claim or any improper claim, then the hon. Minister defends the case in the name of the defendant. I say that this is a necessary precaution to prevent exorbitant judgments being awarded by default.

I suggest that anyone interested in this proposition should do an analysis along these lines. Firstly, because the fund must be

regarded as a fund of last resort, having regard to normal payments that make it up, as against the much more substantial amounts of insurance premiums, it must therefore have certain safeguards:

(a) All persons who may be liable must be sued.

(b) Where the defendant does not bother to defend, the hon. Minister may.

(c) The judgment creditor must take reasonable efforts to recover the judgment before turning to the fund.

Now all 3 of these prerequisites, or conditions precedent, are not unreasonable and their sum, their total, would seem to be a minimum protection.

Secondly, the hon. Minister's legal representatives come into the picture in two ways: Firstly, where the defendant defaults and the hon. Minister may defend. I understand no criticism arises on this score. The establishment of a settlement committee has made it possible for the hon. Minister to settle from 75 per cent. to 90 per cent. of the actions he defends.

Thirdly, where the application is made for payment out of the fund. It must be remembered that the decision regarding the payment out is the court's decision, not that of any officer of the Crown.

Now, the Crown solicitors cannot prevent it if the papers are not in order. In fact, as I will mention in a moment, the officers of the Crown, being the members of the legal department under the hon. Attorney-General, are frequently called upon to assist in the presentation and preparation of the material in the interests of the public and against themselves.

My investigation led me into a certain analysis of files and figures, and I think some of them would be of interest to this House.

During the year 1957, that is from January 1 to December 31 of last year, I am informed that there were a total of 475 applications brought against the unsatisfied judgment fund. Of those 475 applications, 8 were opposed. Two of those 8 applications were dismissed for cause, and 6 of them were opposed.

It would then follow that some 473 of 475 cases, in one fiscal year, were disposed of through our present facilities. The two cases which were dismissed were based on questions of law.

One plaintiff was unable to prove that he qualified as being a resident in this province, and that the province he came from had no

comparable legislation or authority. The matter, in that instance, went before the courts. One of the members of our high court of justice, Mr. Justice Judson as he then was, distinguished between the situation that existed, in a certain state of the United States, and that in Canada, and dismissed the action. The other was one who took default judgment and failed, and refused all through his proceedings to give any notice whatever to the hon. Minister.

Mr. Speaker, I had the privilege of going to the legal officers of the Crown. I felt free to do so for two reasons. Firstly, because the two hon. cabinet Ministers to whom I had spoken placed no restrictions of any kind on my inquiries and secondly, that as a practicing lawyer, I have some interest in this subject matter.

Through those investigations I spent considerable time with the Deputy Minister of Transport on this subject, and he afforded me all of the information at his disposal. I also spent many hours with representatives of The Department of the Attorney-General.

Those two departments are very fortunate in having able people to assist them and carry out their duties.

The unsatisfied judgment fund, of course, was started in 1947, and Mr. Eric Silk, one of our able public servants, was prominent in the drafting of that legislation and has been since in the administration of the procedural aspects.

Let me tell just what I found. I said to them: "Look, I have all the figures for 1957, tell me what is happening right now. What has happened to the last case that has gone through your office?"

And I now give hon. members the figures representing the last 25 cases that went through the hon. Attorney-General's office for approval, which is as of approximately February 21. This is a rather interesting situation.

Of those 25 cases, the following figures apply and give the period from the date when application was made for payment out, to the date that final documentation was received at the hon. Attorney-General's office. Now, 4 got the documentation in less than 1 month; 12 of the 25 took somewhat less than 2 months. Another 4 took less than 3 months, 2 of them had taken almost 6 months, and 3 of those 25 had taken over 6 months.

Mr. Speaker, this is a situation that I find a little delicate to deal with because, on the one hand, it established that any delay does not arise in the Attorney-General's department, but it does arise from the profession of which I am a member.

Now what happened after the Attorney-General's department took those documents? I say this to you, Mr. Speaker, that if you were in charge of the treasury of any department or office or organization, what would you do if you were asked to sign cheques and pay money? You would have to check the information, and that is all that is being done there.

Here are the figures which show the dispatch with which these matters were handled:

Of those last 25 cases, up to about February 21, 18 of those files were sent on for payment within the following day. Six of them were sent on in less than 5 days, and one was sent on in 6 days.

Now I do not think I need to press this point any further, and I say this, and I would not be fair to this House nor to the people I represent, nor to the people of this province if I did not say, that it is my considered opinion that there is no delay whatever on the part of the Crown in dealing with this subject matter. Any delay exists on the part of the people concerned. Sometimes, unfortunately, solicitors who are being paid to process these applications are not doing it.

Within the last several weeks, The Department of the Attorney-General, in consultation and in conjunction with The Department of Transport, reviewed all of their outstanding files, and they found that there were 400 files that had not been dealt with. They were stagnated, they were old.

Now what about them? Well, here is what Mr. Silk's office did. A letter was written to every one of the 400 people, and I have a copy of it here in my hand, and I want to record exactly what Mr. Silk said. This is addressed to the lawyer trying to get the money out of the fund for his client, and his client is that innocent person we are trying to protect. He said:

This is a matter in which you acted for the plaintiff and we acted for the Minister of Transport who defended in the name and on behalf of one or more of the defendants. A check of our files discloses that although the action was concluded favourably to your client, some time ago, no application has yet been made for payment out of the unsatisfied judgment fund.

This letter is being sent to you to bring the matter to your attention in case of it being overlooked. Frankly, it is prompted by the number of inquiries from judgment creditors [that is, and I interpolate, that is the innocent victim] made directly or

indirectly to this office in connection with matters where we find that no application for payment has, in fact, been made.

Now what happened to that letter is very interesting. There were 400 of them, Mr. Speaker. About 116 of those lawyers replied, and informed the department that they had received payment privately, so they were not proceeding against the fund, so the file in the Attorney-General's office might be closed, or they negotiated some settlement and they were satisfied.

Now about 100 others replied: "Thank you for reminding me of my deficiency, and I will proceed at once with the finalization of the matter. I will make application and help you close your file."

Mr. Thomas: Do all my clients get any money?

Mr. MacDonald: They must have a lot of poor lawyers.

Mr. Rowntree: Now that is another matter, Mr. Speaker, and my hon. friend knows that. The relatively few replied at once with the material and of the remainder, being somewhat less than one-half, the solicitors themselves, and this I find most distasteful, that the solicitors themselves involved, asked for further instructions from the department about what to do.

Now, when I am speaking in the House, Mr. Speaker, I like to think of all the hon. members here being willing to contribute something positive, and it was my intention that I would not fall for any observations from anyone from across the House.

Today, my illusion that anybody who is an hon. member of this House was willing to contribute positively and constructively to its well-being just falls by the board, when we hear such interruptions being made by the hon. member for York South who knows better than to get into the—

Mr. MacDonald: What other conclusions would one draw? They were hired to do—

Mr. Rowntree: The subject before the House is whether or not the unsatisfied judgment fund is doing its job.

Mr. MacDonald: No, it is what the hon. member brought before the House. Let him not get so excited.

Mr. Rowntree: I am here to say that it is doing its job. Any deficiency comes from a certain small group. As a matter of fact, if I were pressed further on this point I would

say this, that there is often a bad apple in some barrels but the whole barrel is not bad.

Mr. MacDonald: A lot in that barrel. About a quarter of them.

Mr. Rowntree: I will be happy to pursue this subject on some other occasion, my hon. friend, but when we get into the question of bad apples I think all hon. members know how I feel about that.

Mr. MacDonald: Now that he has opened it, let him pursue it.

Mr. Rowntree: Out of all of these are the—

Mr. MacDonald: Apples.

Mr. Rowntree: —conclusions that I came to. Bearing in mind that some people may not be advised properly—and I hate to admit that because most members of my profession are happy to donate their services where there is need—apart from that, this fund is one of last resort and in summary it provides coverage against situations which are not covered by any insurance scheme.

I say this, that there are 5 points of recommendation that I make to both the hon. Minister of Highways and the hon. Attorney-General:

1. Let them continue their safety programme with full dispatch. They are making good headway, it is a subject where one does not see the results immediately, but let them not be disheartened by the observations of that one apple in the barrel. Let them just carry on, and eventually the efforts of their departments will bear fruit, good fruit.

2. We require a programme of instructions to the public in their own interest, to persuade them to provide for their own voluntary insurance, voluntary because it is better than the minimum compulsory scheme that exists elsewhere. They should be persuaded to insure voluntarily in the same fashion that many of us today carry insurance up to a \$100,000 or \$300,000 limit, because we recognize our duty to the other members of the public. It is that realization which we must make known to the people, who will then accept it as their own responsibility to carry this protection, and I am talking about limits far beyond those which would ever be provided by any scheme of compulsory insurance.

3. I urge that they maintain that unsatisfied judgment fund. Let them keep it going as a fund of last resort, it is doing a good job.

4. There are factors concerned with that scheme which any of us will admit might require further consideration. The scheme has been in existence only for 10 years. We are at the point where that scheme can be polished up in the light of our experience, where we can make the adjustments with some degree of protection to the rest of the public who are maintaining it.

Our duty just does not lie towards the man claiming the money, but it also lies towards the rest of the people in this province. I suggest this to the hon. Minister of Transport and to the hon. Attorney-General through you, Mr. Speaker. I make two specific proposals to them:

Let them take an arbitrary figure of \$500 for a claim. Segregate those claims of \$500 or less against the fund, and let us see if there is not some manner in which we could resolve that or simplify the procedure.

I do not say that the steps taken at the moment, through the sheriff's office, to ascertain the nature of the wrongdoer's assets are wrong, but maybe they might find that claims of \$500 or less would create a category where they would be able to resolve or simplify the procedure. This should result in speeding up and having the rest of the public protected at the same time.

The second specific suggestion that I make is this, that I think that legislation should be provided whereby the minute a judgment of any kind—whether there is insurance or whether the fund is involved—the defendant becomes saddled with the onus of establishing his financial responsibility in a practical way.

At the moment the plaintiff has to search him out, as to what assets he has, and how he is going to get his money.

Now, I say that any person who has been found liable should forthwith lose his licence privileges. The onus of establishing whether or not he can drive after noon tomorrow is on him, the wrongdoer, not on the innocent victim.

5. I urge that the government establish a demerit system. There are two kinds of persons involved, firstly the one who is financially irresponsible, and the second category is where he is accident prone. No criticism of the individual is intended, he is just accident prone. Let us deal with him in the same fashion, Mr. Speaker, as you would with an office boy who cannot do his job; you would transfer him to some other work he can do. I say that if someone is accident prone, he is almost in the same category as being finan-

cially irresponsible. He is a danger to the rest of the community.

We are concerned only with innocent victims. Let the hon. Ministers establish that demerit system and take these accident prone or financially irresponsible people off the highways.

I urge most sincerely that the hon. Minister of Transport and the hon. Attorney-General establish those 5 points. I have spent a lot of time on this matter and would like to say that I was very happy at the information, good and bad, pro and con, which the officers of both those departments gave me.

Now, time is moving on, but traffic safety is something that is allied to this whole subject and there are 3 points I would like to urge on the government:

1. There should be some set of regulations or provisions by the officers of the Crown to control the basic design of motor vehicles. Now, a causal look at the legislation indicates that the legislation provides for the carrying and maintenance of certain equipment such as lights or brakes or flicker lights. My point is that I think that any automobile that has its door at the front is a menace to the person operating it and to those inside it, and should be ruled off the road unless there is a form of exit elsewhere in that vehicle that can be used speedily, readily and quickly.

2. There is a tendency in the last few months by some manufacturers of motor vehicles to cover the rear ends of their vehicles with a set of dazzling red lights, some of them 6 and 8 inches in diameter, and as many as 4 of them. I say that they are a menace to the public of this community.

3. With the varying types of vehicles that we have, the many transport trucks and the many small vehicles, I think that all vehicles, both commercial and private, should have bumpers of uniform level. All transports should have a dropper or skirt, a sheet of steel, drop down at the rear, and I think that all automobiles, whether they be large expensive ones or small inexpensive ones, should have bumpers of uniform height.

My last observation has to do with a subject which is very close to your heart I know, Mr. Speaker, and one which I think appeals to every hon. member of this House. It has to do with retarded children.

Now the hon. Minister of Health (Mr. Phillips) and the hon. Minister of Public Welfare (Mr. Cecile) have collaborated in taking over what was formerly the sick

children's hospital at Thistledown, and at the moment there is a great research programme carried on there, on this subject of children from 6 years of age up. It is described as an intensive programme, and it means just what it says.

I say to you, Mr. Speaker, that the park land at Thistletown would lend itself most adequately to the provision, or the establishment, of some boarding school or resident school for children who are retarded either mentally or physically, children who require the kind of assistance which is beyond the ability of their parents to provide.

I think this is a step in the right direction at Thistletown, but I think it should be regarded as only the first step because, as the hon. Prime Minister (Mr. Frost) said the other day, any investment or any monies that are spent on subjects of this kind are not just monies thrown away, they are monies which are invested in development and toward human betterment.

Now, sir, you have been very gracious in listening to me so patiently, and I thank the hon. members for their kind attention.

Hon. R. Connell (Minister Without Portfolio and Vice-Chairman of Hydro): Mr. Speaker, as I rise to speak on this Throne debate, I would like to, as the other hon. members have done, congratulate you, the Deputy Speaker (Mr. Allen), the hon. mover (Mr. Kennedy), the hon. seconder (Mr. Guindon), and the new hon. members of the House. If it is brief it is nonetheless sincere.

According to my schedule here, we are some 50 minutes behind right now, and I am going to try to do what is very difficult to do, give 20 minutes back to the hon. members. I have 20 minutes here during which I thought I would speak on agriculture, but unless I get some notes across here, insisting that I go on with it, I am going to save that for a later date. So I will give hon. members what I am actually here for today—the Hydro report.

I might say that in my job as vice-chairman of Hydro, I have tried in the 16 months that I have been there, to do primarily 3 things: (1) to look after the interests of hon. members of this House; (2) being a farmer, trying particularly to look after rural interests and (3) to look after government interests.

I will say something that I have said before, and I find it more true than ever, that I do think we get more value out of \$1 worth of Hydro than any other \$1 we spend.

I do not know who the hon. chairman of the committee on government commissions

is, but before I give this report, I would like to extend an invitation to that hon. chairman, and the hon. members of the committee on government commissions, to come down and visit the head office of Hydro and several other buildings which we have there.

The reason I am doing that is this: the Hydro Electric Power Commission of Ontario is divided into 8 regions; once a year we bring in the commissioners of the various public utilities of each region, and take them over that particular tour of the Hydro buildings. They find it very interesting, and learn more about what is going on about Hydro than in any other way.

Therefore, I would like to issue that invitation to the hon. chairman and the hon. members of the committee on government commissions, if possible before Hydro reports to that committee, to come down and have that visit. I am very sincere about that, and I think it would make their job of looking into the works of Hydro that much easier for them and they might be able to question the members of the Hydro Electric Commission that much more intelligently.

In presenting my report on the activities of Ontario Hydro for 1957, I feel that in brief it can best be expressed by saying that the commission entered its second half-century of service with renewed vigour and enthusiasm. The past year embraced a period of significant progress and decisions that will leave their impact on this province for many years to come.

Many events are worthy of hon. members' attention because they reflect the indissoluble link between the commission and the economic development of our province.

Let me first, however, express my gratitude to our hon. Prime Minister (Mr. Frost) in naming me as second vice-chairman of the great publicly-owned Hydro enterprise. I consider it a rare distinction to assist in guiding the destiny of this province-wide organization, which makes such memorable contributions to the economic life of Ontario and to the comfort and well-being of its citizens.

I am mindful, too, of the privilege that has been afforded me in being associated with such men as James S. Duncan, our Hydro chairman, our first vice-chairman, W. Ross Strike, as well as the other members of the commission, Lt.-Col. A. A. Kennedy and D. P. Cliff. There is no doubt in my mind that this province is fortunate in having men of such calibre to direct the activities of Ontario Hydro.

Furthermore, since my appointment in November, 1956, I have become increasingly conscious of the efficiency of the Hydro staff and the extremely intelligent administration evident at all levels of commission management. I know I can say without fear of contradiction that Hydro today stands apart as one of the great engineering organizations of the world.

At this juncture, too, I would like to express my gratification for the fact that I have been privileged to visit many sections of the province, and to become acquainted with those who serve their individual communities as commissioners, managers or employees of the local utilities. The fact that Hydro in Ontario stands pre-eminent as one of the great publicly-owned organizations of the world is, I am confident, due in great measure to the selfless devotion to the ideals of civic service manifested by these municipal representatives.

As I mentioned a few moments ago, 1957 was a year of momentous decisions and achievements of far-reaching importance for the commission and its associated municipal electrical utilities.

During the course of my report to the House I shall discuss such highlights of Hydro progress as:

1. Announcement of plans for construction of 3 new conventional thermal-electric generating stations;
2. Hydro's role in Canada's nuclear power programme;
3. Rapid progress on the expansion of its hydro-electric resources;
4. Revolutionary changes in underground transmission facilities;
5. The status of the frequency standardization programme;
6. The introduction of far-reaching changes in rural electrical service policy, and the launching of the "Live Better Electrically" educational programme in co-operation with Hydro municipalities.

Before considering the importance of the commission's decision to increase substantially its thermal-electric capacity, let us briefly examine the status of Ontario's hydraulic resources as represented by falling water.

To present an accurate picture, I can only refer hon. members back to the frequently-repeated statement that Ontario Hydro can readily envisage the full utilization of its available hydraulic resources within the foreseeable future. I am certain that every hon. member of this House is fully aware that the

present projects on the St. Lawrence and Niagara rivers constitute the last major sources of hydraulic power in this province.

In the light of these facts, plans for the construction of two of the world's largest thermal-electric plants, in the heavily industrialized Toronto-Hamilton area, were initiated. Last year when I presented my report in this assembly, I said that a site for a thermal-electric plant in the Fort William-Port Arthur area was being considered. I am pleased to advise hon. members now that approval of the first plant of this type in northern Ontario was announced in September of last year.

The first of the two southern Ontario stations, to be known as the Lakeview G.S., represents an estimated capital investment of some \$250 million. With the first two units scheduled for 1961 and 1962, its ultimate capacity of 1.8 million kilowatts is more than double that of the Ontario Hydro section of the St. Lawrence power project. It is anticipated that the second plant—the Hamilton G.S.—will be identical to the Lakeview station.

Another thermal-electric station already in service—the Richard L. Hearn generating station in Toronto—is being enlarged. During 1957, the commission authorized installation of a fourth additional turbo-generator. Thus, the present capacity of this plant will be progressively augmented in 1958, 1959 and 1960 by the completion of four 200,000-kilowatt units, raising its ultimate capacity to 1.2 million kilowatts.

The commission's decision to proceed with the expansion of its conventional thermal capacity has naturally focused public attention on the ultimate role of nuclear-electric power and its place in Ontario Hydro's system of operations.

I shall, therefore, lay before the hon. members the pertinent facts of this situation.

Let me first say that Ontario Hydro is, and always has been, keenly aware of the desirability of using uranium produced in Ontario mines to generate electricity, as an alternative to the use of imported coal. This fact was made quite apparent as far back as 1953, when the commission announced its intention of participating with Atomic Energy of Canada Limited in feasibility studies relating to the development of electricity from nuclear sources.

To this end the commission assigned several of its engineers to form part of a study group entrusted with the responsibility of examining the prospects of producing nuclear-electric power.

Then, in 1955, Hydro announced that it would proceed jointly with Atomic Energy of Canada Limited and the Canadian General Electric Company Limited in the construction of a 20,000-kilowatt nuclear-electric plant (to be known as nuclear power demonstration—NPD) on property close to our Des Joachims generating station on the Ottawa River.

The main function of this plant was to demonstrate the feasibility of producing electric energy from a nuclear power plant using natural uranium as a fuel and heavy water as a moderator. NPD was also assigned to obtain information on fuel element design, and to permit engineers to study the plant's operation in conjunction with other sources of power.

Parallel studies were also undertaken for a full-scale nuclear power plant. The first report relating to the larger plant became available early in 1957. Also, due to certain improvements in design over methods proposed for the NPD reactor, it was deemed advisable last April to suspend work temporarily to permit incorporation of new features.

I have great satisfaction in reporting to hon. members of this House on the recent decision to resume construction of the nuclear power demonstration plant. On the recommendation of Atomic Energy of Canada Limited, a comprehensive programme for the development of the large-scale nuclear power plant will also be undertaken.

It is a source of gratification to me, and to my colleagues on the commission, that we are to continue to have a prominent role in these projects. Under the recently-announced plan, Ontario Hydro will not only assign some 15 engineers to work with the nuclear power plant division, which will be established by Atomic Energy of Canada Limited in Toronto to co-ordinate the entire programme, but will also provide accommodation for the new division.

The commission has also agreed to place the services of its assistant general manager of engineering, Harold A. Smith, at the disposal of this new group. Mr. Smith, I should explain, has been prominently identified with the nuclear power programme since its inception. While serving as manager of the new nuclear power plant division, he will also continue his present duties with Ontario Hydro—thus performing a most important liaison function between the commission and the nuclear power plant division.

I am certain, Mr. Speaker, that the hon. members of this House will find this prospect as encouraging as we do at Ontario Hydro. It is still our hope that the first major

nuclear-electric plant in our system will be available for base load (or continuous) operation in 1965 or 1966, on a cost basis that will be virtually competitive with coal-fired stations.

It is quite evident, however, that the additional capacity will be required by 1961. I am certain, therefore, that there will be unanimous endorsement of the commission's opinion that the construction of coal-fired plants to meet the province's growing electrical requirements constitutes the only course open to it at present.

When I had the honour of addressing the House last year, in the same capacity as I do today, I spoke of our being in a period of transition in the matter of power supply, from falling water as a power source to fuels converted in thermal generating plants. I have already dealt with the newer aspect.

To enable the hon. members now to perceive clearly this fundamental change, which is more evident than it was a year ago, I shall report on the activities of Ontario Hydro in the field of hydraulic generation.

It is, perhaps, appropriate that the commission's last major hydro-electric developments should be the most spectacular of all that have preceded them. I speak, of course, only of the very large-scale undertakings, namely the St. Lawrence power project and the Sir Adam Beck-Niagara generating station No. 2 at Niagara Falls.

The International Rapids section of the St. Lawrence River is the last major source of hydraulic power in Ontario, while the Niagara plant will tap the last amount of power available on the Canadian side of the Niagara River. Some 30 other hydraulic sites, with a much smaller potential, of course, are still available, and these will be developed as conditions warrant, consistent with the character of the anticipated load.

In all its phases, Hydro's St. Lawrence power project, with a capacity of 820,000 kilowatts, is one of the most unusual ever undertaken by the commission. It is encouraging to report that construction proceeded according to schedule during 1957. By the end of the year, the project was more than 80 per cent. complete. The hon. members of this House, particularly those who took part in Hydro's special inspection tour of the project last fall, are doubtless well acquainted with the various aspects of this development.

The focal point is, of course, the twin adjoining powerhouses, which will produce their first power in July of this year, with completion scheduled for 1960. The clock-

like progress of the project owes much to the fine teamwork between the engineering and construction forces of both the commission and the power authority of the state of New York.

Completed in 1957 were the Cornwall dyke, the Iroquois dam and a major portion of the Long Sault dam. At the Robert H. Saunders-St. Lawrence generating station, 90 per cent. of the concrete had been placed, and installation of mechanical and electrical equipment is progressing satisfactorily. The regional operations staff of Ontario Hydro took over the Iroquois dam from the United States contractor last December.

The unique rehabilitation programme, involving the relocation of some 6,500 people who resided in the area to be affected by the flooding associated with the power project, was virtually completed late in December of last year. Two new townsites, Ingleside and Long Sault, have been established, incorporating homes from 6 villages formerly located on the banks of the St. Lawrence.

Retaining its identity, the village of Iroquois has also been entirely relocated, while the business section of Morrisburg was moved to the northern section of the community.

In all, this programme, covering a 20,000-acre area, has entailed the relocating of 525 homes, while the commission has provided water, sewage, electrical and other utility services, as well as churches, schools, public and other buildings.

Another important phase of this project is the relocation of a 35-mile section of highway No. 2. Similarly it has been necessary to construct a new, 40-mile section of double-track Canadian National Railways line between Cardinal and Cornwall.

As hon. members can readily appreciate, the rehabilitation of the 6,500 people living in the area has entailed considerable negotiation in acquiring the land, which will form part of the headpond for the St. Lawrence development. By the end of January of this year, Ontario Hydro negotiators had completed 2,100 agreements for the purchase of the necessary property. This represents approximately 95 per cent. of the total land and buildings required.

Hon. members of this House will be gratified to learn that only 10 of the 2,100 property transactions have been referred to the Ontario municipal board, the appeal body appointed by this government to arbitrate such cases.

Such a record underlines the patient understanding of the residents of the area and, I

am sure, the courtesy and consideration displayed by the commission's representatives. A project of these dimensions inevitably causes some disruption in the lives of the people. The fact that Ontario Hydro has been able to carry forward this phase of the St. Lawrence development on schedule, and with a minimum of friction, is, to a large degree, also attributable to the helpful advice and co-operation accorded the commission by many of the civic officials of the St. Lawrence communities.

I am certain this attitude stemmed partially from a far-sighted realization of the ultimate benefits that will accrue when the development reaches completion. This recognition of the impact of the power and seaway projects is quite evident in the optimism prevalent today in these relocated communities where vigorous plans are being made for industrial expansion.

A striking indication of the unprecedented public interest in the St. Lawrence power project is provided by the fact that some 820,000 visitors from practically every province of Canada, many sections of the United States, and several other countries viewed construction progress during 1957.

Now let us direct our attention to Niagara Falls, which ranks as one of the major sources of hydro-electric power in the world. I am confident that hon. members of this House experience a genuine sense of pride in the achievements of Ontario Hydro in this section of the province. Today, the second stage of construction at the Sir Adam Beck No. 2 generating station is nearing completion. Two of the 4 new units were placed in operation last year. The other two units will come into service by the summer of this year. These, together with the 12 units completed in 1954-1955 and the associated pumping-generating station, will raise the capacity of the plant to the impressive total of 1.37 million kilowatts.

For those who have not had the opportunity of visiting the Niagara Falls area recently, a tour, either now or in the warmer months approaching, would be both stimulating and surprising. Many hon. members would, I am certain, be astounded to see the vast reservoir, with a capacity of 650 million cubic feet of water, which the commission has created for its pumped-storage scheme.

A particularly interesting feature of this unique undertaking is the fact that the units of the station act as pumps during lower power demand periods, lifting water from the power canal into the reservoir. Then, during peak demand periods, the units become generators

when they are reversed, at the same time discharging water back into the canal to permit a greater output from the Sir Adam Beck stations.

Three units of this new 170,000-kilowatt pumping-generator station were in operation by the end of 1957, with 3 more scheduled for service this year.

In recalling the commission's progress during 1957, another event stands out in bold relief. The 1950 Niagara Diversion Treaty, between Canada and the United States, made provision for a far-reaching remedial works programme. This programme was specifically designed to preserve and enhance the beauty of the famous Horseshoe Falls, as well as to promote more effective use of Niagara River water for power production purposes. As many are perhaps aware, this programme, in which Ontario Hydro participated jointly with the corps of engineers, United States Army, was officially completed in September of last year.

In northern Ontario, intensified mining activity, particularly in the world's major uranium-mining area around Blind River, and expansion of pulp and paper and other industries, have been major factors in increasing demands for power, as they quickly turn this former wilderness of forests and lakes into an important element in the province's economy.

To meet the needs of the mines, factories, farms and homes in the north, Ontario Hydro in 1957 had under way a programme of construction which included the building of 3 new hydro-electric generating stations on northern rivers, and extensions to 4 existing stations.

All this is in addition to the new thermal-electric plant, the Thunder Bay generating station at the Lakehead, to which I have already referred, and which is scheduled for service in 1961. Its initial capacity with one unit will be 100,000 kilowatts with provision for enlarging it to 1 million kilowatts as required.

The 3 new hydro-electric stations are located at Whitedog Falls, on the Winnipeg River; at Caribou Falls, on the English River; and at Silver Falls, on the Kaministiquia River. The 54,000 kilowatt Whitedog Falls plant, and the Caribou Falls station, with a capacity of 67,500 kilowatts, are scheduled for service this year. The 45,500-kilowatt development at Silver Falls will be in operation in the fall of 1959.

Record progress is reported on the extensions to the Cameron Falls and Alexander plants on the Nipigon River. An additional unit at Cameron Falls, scheduled for opera-

tion in 1958, will increase the plant's capacity to 76,700 kilowatts, while another unit which will be in operation shortly at the nearby Alexander generating station will raise this plant's capacity to 60,900 kilowatts.

During 1957, the commission authorized an additional generator at its Abitibi Canyon plant on the Abitibi River to increase the capacity of this plant to 226,000 kilowatts early in 1959.

An ingenious diversion of water from Lake St. Joseph into the English River watershed has permitted the installation of an additional unit at the Manitou Falls plant, which will have at total capacity of 65,700 kilowatts when the fifth unit is completed shortly. The additional flow has also enabled commission engineers to plan for extra capacity at the previously-mentioned Caribou Falls project, and for the installation of larger capacity units when Hydro proceeds with the development of Maynard Falls, another English River site.

My report on the commission's hydro-electric projects would not be complete without a brief reference to Hydro's recent announcement that it is undertaking further developments in northeastern Ontario on the Mississagi and Abitibi rivers. Both of these projects, to be known as the Red Rock and Otter Rapids generating stations respectively, are estimated to have a combined potential of 162,000 kilowatts, and constitute a long-range plan to harness additional sites in northern Ontario. It is presently anticipated that initial power from these new projects will be available in 1960 and 1961.

The combined cost of the two developments, both of which are located within the northern Ontario properties—a system held and operated by the commission in trust for the province of Ontario—is estimated at \$50 million.

Mr. Speaker, that is the general picture of what Ontario Hydro is accomplishing in augmenting its power resources, and I am confident you will agree that it constitutes a record of genuine and reassuring progress.

To summarize briefly, I would like to point out that Hydro's resources in 1957 totalled 4,844,100 kilowatts, representing a net increase over the previous year of 292,000 kilowatts or 6.4 per cent.

When we realize that 16 new sources of power have been placed in service since 1945, increasing Ontario Hydro's capacity by 150 per cent., we are keenly aware of the close relationship between the commission's operations and the tempo of the provincial economy.

This statement can be further substantiated by a rapid scrutiny of Ontario's growing electrical requirements. When the commission began to supply power to the 14 original municipalities in 1910, the demand was only 4,000 kilowatts. By 1945, the total load had reached 1,852,000 kilowatts, and demands for 1957 were 4,783,500 kilowatts—an increase of 158 per cent. in 12 years.

In speaking of the province's electrical requirements, I should point out that peak demands on the commission's southern Ontario system were affected by certain declines in industrial activity, and by abnormally mild weather conditions. Thus, the previous year's peak was exceeded by only 4 per cent.

On the other hand, demands in the north-east were 17 per cent., and in the north-west 14 per cent., higher than those for 1956.

It is interesting to note that the average increase in demands experienced by the major electrical utilities in the United States was only 2.8 per cent. during 1957. When compared to last year's 6 per cent. overall growth in demands on Hydro's systems, I believe there is every reason to feel extremely gratified that we are maintaining a healthy economic growth despite the conditions I have previously outlined.

To avoid any misunderstanding with regard to the commission's plans for augmenting its resources in the next decade or more, I would like to deal briefly with the question of anticipated future demands.

It is estimated that Hydro, which is today supplying approximately 90 per cent. of the electric energy used in Ontario, will find it necessary to cope with demands totalling approximately 6 million kilowatts by 1960. Ontario Hydro's 1956 brief to the Royal commission on Canada's economic prospects envisaged the possibility that our electrical demands might be in excess of 20 million kilowatts by 1980. Plans to augment our resources to meet such requirements must be made and implemented well in advance, in order to maintain an adequate supply of electricity as well as keep a safe margin of reserve capacity for contingencies.

Manifesting a wholesome confidence in the sustained growth of this province, the commission's expansion plans envisage a progressive increase in generating resources of some 3 million kilowatts in the next 5 years.

Improvement of transmission facilities constitutes another major aspect of our operations. Insuring a greater degree of system security, Ontario Hydro has, for a number of

years, followed a consistent policy of integrating its own system. It has further strengthened this network by effective and highly beneficial transmission-line interconnections with adjacent electrical utilities in the United States, Quebec, and Manitoba.

Of particular advantage has been the tie established in 1950 between our systems in northeastern and southern Ontario. Fortifying this link, Hydro is now constructing a new 230,000-volt transmission line over a distance of 110 miles.

As I mentioned earlier in this report, increasing power demands in the Blind River area are necessitating the construction of additional generation and transmission facilities. Thus a similar transmission line has been built between that area and Sudbury, operating at 115,000 volts until such time as a 230,000-volt transformer station is completed at Blind River.

While dealing with our transmission network, I proudly draw the attention of hon. members to a revolutionary system for cooling underground transmission cables developed by the commission's engineering staff. This new technique, which has been acclaimed as a "world first," was introduced last year in the laying of four 115,000-volt circuits along a 3.5-mile route near Toronto's new expressway adjacent to the lakeshore.

A conception of the far-reaching importance of this new development is provided by the fact that our engineers estimate that the cables will carry 50 per cent. to 60 per cent. more power as a result of the new cooling method.

I am also pleased to inform the hon. members of this House that the frequency standardization programme in southern Ontario is approaching a successful conclusion. Launched in 1949, it has involved so far the alteration from 25 to 60 cycle operation of more than 6.135 million frequency-sensitive items owned by 915,700 customers.

It is a recognized fact that this was one of the largest undertakings of its kind in the world, involving a 12,000-square mile "island" extending from Windsor to a point a few miles east of Toronto. Today we look back on the completion of some 90 per cent. of the programme. Generally speaking only certain parts of Toronto and Leaside remain to be standardized. We are also proceeding with frequency standardization work in a section of northeastern Ontario.

Keeping pace with the changeover of customers' equipment was the conversion of generating facilities to meet the growing 60-cycle loads. Last year, 8 units in plants owned

and operated by two of our Quebec suppliers were altered for 60-cycle operation.

Completion of the entire programme in 1959 will establish the 60-cycle frequency throughout Ontario, placing it in line with a vast portion of the North American continent.

And now, Mr. Speaker, I come to a subject which is of particular interest to me. I refer, of course, to the commission's rural operations, which have created such a remarkable transformation in the mode of living on our farms and in the smaller communities of the province.

It is a source of particular satisfaction to me to direct the attention of hon. members momentarily to a decisive step taken by Ontario Hydro during 1957. As they are perhaps already aware, the commission gave approval to certain changes in policy that are of paramount importance to many farmers and to rural customers in built-up areas.

In relaxing its density requirements for farm line extensions, the commission will now build two-thirds of a mile of line along a public road to any soundly-established farm. The previous policy was to build only one-third of a mile of line. At the same time, Ontario Hydro introduced into the existing hamlet rural rate structure a new third block of 500 kilowatt-hours a month, at a net cost of one cent per kilowatt-hour. I might explain that this change was designed to benefit rural customers in high-density residential areas by bringing their rate closer in line with prevailing municipal rates.

This rate reduction will affect more than 130,000 domestic customers in built-up rural areas in the province. These customers, whose present use of energy extends into the third block, will obtain a lower rate and be better able to enjoy the advantages of the ever-increasing number of home electrical appliances.

I am confident that many hon. members of this House, particularly those who represent predominantly rural constituencies, will welcome these changes in Hydro's rural policy. But let me remind them that these changes represent just another link in a long chain of events which have resulted in the wide expansion of the commission's rural network, in the last 4 decades or more, to extend the countless benefits of electrical service.

One has only to compare 1957 with 1945 to realize the rapid expansion of Hydro service in the rural areas of the province. At the end of 1945, Ontario Hydro was serving a total of 156,560 rural customers over 21,569 miles of line. By the end of 1957,

the number of customers had risen to 453,600, an increase of 190 per cent.

During the same period, the commission brought the total number of miles of line in service up to 45,375, representing an increase of 110 per cent. Last year alone, there was a net increase of 883 miles of rural distribution line, with a corresponding addition of 23,556 customers.

The far-reaching implications of Hydro's expansion of its rural network can be more fully envisaged by the realization that electrical facilities are today available to 94 per cent. of the farmers of this province.

My association with the commission in the past 16 months or more has made me keenly conscious of Hydro's dynamic effect upon Ontario's agricultural economy. Statistics indicate the unique fact that a total of slightly more than 192,000 farms were being operated in 1932. Figures obtained during the 1956 agricultural census revealed that this total had shrunk to slightly more than 140,000 operating farms.

Despite this fact, the value of the province's agricultural production during the same period jumped from approximately \$248 million to a figure in excess of \$1 billion.

While some allowance must be made for the inflationary price trend, it is obvious that the increased mechanization of farming operations, brought about largely by the growing availability of electricity in the rural sections of Ontario, has had an important influence on the output of our farms.

The fact that there are approximately 400 possible electrical applications on a modern electrified Ontario farm explains why we still rank as Canada's leading agricultural province in spite of our dramatic emergence as the foremost industrial centre of the nation.

Present plans for the extension of rural facilities during 1958 envisage service to an additional 27,515 customers, and it will be necessary to extend our rural distribution lines by some 1,200 miles.

No report is, of course, entirely complete without reference to the financial operations of an organization.

As hon. members can appreciate, however, in the case of Ontario Hydro, the task of assimilating all the figures relating to its widespread and varied activities entails considerable time and effort. Therefore, I hasten to point out that I can, at the moment, give only preliminary figures. Let me say on the other hand, that the final figures will be made available to hon. members as soon as pos-

sible, through the medium of our annual report.

I have no hesitation in saying that our financial operations in 1957 constitute another record of satisfactory progress. It is presently estimated that our total assets at the end of the year had reached a figure in excess of \$2.26 billion compared to \$2 billion at December 31, 1956.

On the other side of the ledger, the commission's long-term liabilities stood at approximately \$1.57 billion, of which \$46.5 million represents the balance of outstanding advances from the province of Ontario.

I am sure every hon. member will concur with my statement that the commission's financial stability and reputation merits unanimous admiration. To provide proof of this fact, I have only to mention that Canadian investors demonstrated their confidence in Ontario Hydro during 1957 by purchasing \$200 million worth of the commission's bonds issued to assist in financing its tremendous expansion programme.

I am also pleased to say that the first bond issue made this year—on February 13—involving \$75 million was also an outstanding success, especially when we consider current market conditions.

As one of the world's largest electrical utilities, the commission employs 19,000 people of widely-diversified skills. When one also considers the total indirect employment which results from Hydro's annual capital expenditures—which this year will total some \$212 million—and which is spent largely in Ontario, he will see the further contribution which the commission makes to our overall economy.

In its constant search for the latest and most efficient methods of handling its administrative and engineering responsibilities, Ontario Hydro has created a new data processing division. This division will be in charge of a new electronic computing system that will eventually replace much of the present computing, punch-card and other electronic equipment now in use.

The new installation, which will occupy about 6,000 square feet at Hydro's head office here in Toronto, will be ready for initial operation this year. Ultimately it will involve the linking of Hydro's 9 regional offices and 104 rural operating areas with a central point in Toronto, to enable it to perform a substantial portion of the customer accounting, payrolls, and inventory control, as well as scientific and engineering computations.

I am aware that this represents the introduction of modern-day automation into the commission's operations. I, therefore, would like to assure the hon. members of this House that the transition will be gradual, requiring 6 years to complete. They will, I am sure, wish to commend the commission's management for the study and attention being given to the necessary staff adjustments and the problem of ensuring that no employee loses in terms of job security and remuneration.

On the other hand, we envisage the possibility of eliminating many routine and monotonous tasks, at the same time offering work of a higher order of interest and skill.

In this way we are confident of increased efficiency, and, as a logical result, even better service to every electrical customer in the province.

Earlier in my address, I drew attention to the fact that I had been privileged to associate myself on many recent occasions with those who direct the activities of the municipal electrical systems of the province. For a moment, therefore, I would like to discuss this important phase of Hydro operations, involving the direct distribution of electricity to over one million industrial, commercial and domestic customers in Ontario.

In fact, the remarkable expansion of Ontario Hydro in the past 51 years is largely a reflection of continued development in our urban centres and a consequent growth in power demands from the municipal electrical utilities. I mentioned previously that the Ontario commission, in 1910, began supplying power to the first 14 municipalities which had signed contracts for Hydro service. Since that time more and more municipalities have recognized the advantages of affiliating themselves with the province-wide system, and today we serve 351 municipal electrical utilities.

Another heartening manifestation of the co-operative partnership between the commission and its municipal customers can be readily found in the current "Live Better Electrically" campaign launched late in 1957 as a joint enterprise.

This programme entails the use of Hydro advertisements in daily and weekly newspapers across the province, while at the same time making use of the communication facilities provided by radio and television. Supplementing these phases of the educational project, we will also emphasize the safety and cleanliness of electricity through such media as bus, car and truck cards; school and farm papers; counter cards; school book covers, as well as consumer booklets and postage meter slugs.

In addition, a mobile demonstration coach, and also homemaker demonstrations and displays at major exhibitions and fairs, will show the uses, advantages and benefits of electrical service.

I am quite sure that there is general agreement with the view that we should keep the people of Ontario fully acquainted with the many advantages of "living electrically."

Let me point out at this juncture that the electrical rates prevailing in this province compare very favourably with the cost in other provinces of Canada, and indeed, with the cost anywhere in the world. The fact that there has been no general increase in the wholesale cost of power to the municipal Hydro systems since 1953 is of more than ordinary significance. Equally striking is the fact that some 100 Ontario municipalities have found it possible to institute rate reductions, ranging from 5 per cent. to 25 per cent., for their customers since the beginning of 1956.

A study of the Canadian consumer price index reveals that the price of all commodities increased by an average of 80 per cent. between 1940 and 1956. But in Ontario during these same years, the average price of electricity used in the home and on the farm has actually gone down 4 per cent!

In stressing the benefits inherent in low-cost Hydro service, we are not only seeking to protect an important source of revenue, but are also directing attention to the fact that electricity exerted, and will continue to exert, a vital influence on the high standard of living prevalent in Ontario.

In concluding my remarks, it is highly gratifying to be able to provide assurance that Ontario Hydro does not contemplate any general increase in the cost of power to municipalities in 1958. In view of the fact that this affects the majority of the more than 1.6 million customers served by Hydro in Ontario, such an assurance represents a contribution of immeasurable proportions to the economic stability of the province.

The commission stands ready at all times to keep hon. members of the Legislature fully informed on all phases of Ontario Hydro's plans and progress; indeed, during the past several years many hon. members have received first-hand information relating to municipal Hydro improvement programmes and other developments in their own constituencies.

For the support that the commission has received from all hon. members of this House—enabling us to guide the destiny of a great

enterprise that is, in every aspect, an excellent example of "democracy at work"—I extend my most sincere thanks and appreciation.

Mr. Speaker, the hon. members have been most patient in listening to this long report. I have speeded it up as much as possible. These reports will be, or I guess they are now, on your desk, and if you are particularly interested in some of these things, you will be able to go over them more at your leisure.

Mr. A. G. Frost (Bracondale): Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

THE SURVEYS ACT, 1958

Hon. C. E. Mapledoram moves second reading of Bill No. 95, "The Surveys Act, 1958."

He said: Mr. Speaker, the laws governing surveys in Ontario are as old as its history, and the first revision of these laws was made in 1849 and the most recent in 1920.

Three different systems of surveying townships were made and used before 1829, and 3 other systems have been followed since that time.

The 1920 Act which is in force at the present time did not deal separately with each of the 6 systems, with the result that difficulties were experienced in determining the proper method to be followed in any particular system.

This bill, which has been prepared over a period of years by the association of land surveyors and the surveyor-general, does not change the basic principles of the present Act, but extends these principles and deals with each system separately and completely even though this results in some repetition.

It is felt that this method will make the Act more readily understandable, bringing about greater certainty in survey practice and reducing the work of surveyors.

The bill provides another feature which is felt will be of great assistance to practicing surveyors; regulations will be made illustrating and complementing by words and sketches the many difficult and highly technical procedures set out in this Act.

Motion agreed to; second reading of the bill.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before moving the adjournment of the House, I would say that we will proceed on Monday with certain bills and with the continuation of the debate which was adjourned a few moments ago by the hon. member for Bracondale.

Hon. Mr. Roberts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 4.20 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Monday, March 3, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1958



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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, MARCH 3, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker informed the House that a vacancy had occurred in the membership of the House by reason of the resignation of Stanley Joseph Hunt, hon. member for the electoral district of Renfrew North.

Toronto, March 1, 1958

THE HONOURABLE A. W. DOWNER,
SPEAKER OF THE LEGISLATIVE ASSEMBLY
OF THE PROVINCE OF ONTARIO.

MR. SPEAKER:

I beg to tender my resignation as a member of the legislative assembly of Ontario effective today.

It is with sincere regret that I take this step, being mindful of the very pleasant association I have enjoyed with hon. members on both sides of the House during the years that I have sat as a member. However, this action has now become necessary in view of my acceptance of the Progressive-Conservative nomination for the federal general election of March 31 for the electoral district of Renfrew North.

May I take this opportunity of thanking you for your many kindnesses to me throughout my term as a member of the Legislature.

Yours very truly,

WITNESSES:

(signed)

MARY COOMBS
RODERICK LEWIS

(signed)
S. J. HUNT

Mr. Speaker informed the House that the clerk had received from the commissioners of estate bills their report in the following case:

Bill No. 29, An Act respecting the estate of Melville Ross Gooderham, the Kathleen Isabel Drope trust and the Charlotte Ross grant trust.

THE SUPREME COURT OF ONTARIO

THE HONOURABLE THE CHIEF JUSTICE OF ONTARIO
THE HONOURABLE MR. JUSTICE SCHROEDER
Osgoode Hall, Toronto 1
February 28, 1958

RODERICK LEWIS, ESQ., Q.C.,
CLERK OF THE LEGISLATIVE ASSEMBLY,
PARLIAMENT BUILDINGS,
TORONTO, ONTARIO.

DEAR SIR:

Re: *Private Bill No. 29, An Act respecting the Estate of Melville Ross Gooderham, the Kathleen Isabel Drope Trust and the Charlotte Ross Grant Trust.*

The undersigned commissioners of estates bills, as provided by The Legislative Assembly Act, RSO 1950, chapter 202, section 57, having had the said bill referred to us as such commissioners, now beg to report thereon.

We have heard counsel for the petitioners and the official guardian on behalf of infant beneficiaries. We

have also been presented with consents signed by the adult beneficiaries under the will and the trusts, and the official guardian did not object to the passing of the bill.

We are of the opinion that the provisions of the said bill are proper for carrying its purpose into effect, and that it is reasonable that such bill be passed into law.

The bill duly signed by the commissioners and the petition for the same are accordingly returned herewith.

Yours faithfully,

(signed)

DANA PORTER, C.J.O.
WALTER F. SCHROEDER, J.A.
Commissioners of estate bills.

Mr. Speaker: The bill, together with the report of the commissioners of estate bills thereon, will be referred to the standing committee on private bills.

Presenting petitions.

Reading and receiving petitions.

Introduction of bills.

THE TILE DRAINAGE ACT

Hon. W. K. Warrender moves first reading of bill intituled, "An Act to amend The Tile Drainage Act."

Motion agreed to: first reading of the bill.

He said: Mr. Speaker, the sum of \$3 million has been in the statute since 1929, and this amendment proposes to increase it to \$5 million in view of the increased cost today.

THE PUBLIC UTILITIES ACT

Hon. Mr. Warrender moves first reading of bill intituled, "An Act to amend The Public Utilities Act."

Motion agreed to: first reading of the bill.

He said: Mr. Speaker, this one amendment, section 3, is to make it clear that the arbitration is applicable to expropriations under part 1 of the Act. Clause 8 of section 13 is repealed, because the same section is now applicable under The Ontario Water Resources Commission Act, 1957. Subsection 3 of section 35 is amended to provide that it will not be necessary to levy a rate to provide for interest or payments on account of debentures, issued for the construction of,

and other matters pertaining to, the utilities. The amendment is to make it clear that this provision does not apply where debentures have been issued for local improvement works.

I should say, Mr. Speaker, at this time that all of these bills are going to the municipal law committee.

THE ONTARIO MUNICIPAL BOARD ACT

Hon. Mr. Warrender moves first reading of bill intituled, "An Act to amend The Ontario Municipal Board Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the proposed amendment to subsection 1 of section 61, clears up the matter of proceedings of the municipal board notwithstanding any irregularity in the by-law or proceedings. The amendment provides for the same procedure where there are omissions in the by-law or proceedings. And then, section 67 requires the approval of the board to the undertakings of the municipality before the by-law is passed authorizing such undertaking. The amendment provides that a by-law, that has been passed before approval is applied for, is not in contravention of section 67, if it includes a provision that the by-law does not take effect until approved by the board.

THE LOCAL IMPROVEMENT ACT

Hon. Mr. Warrender moves the first reading of bill intituled, "An Act to amend The Local Improvement Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, it is proposed to add a new section 45A, which provides that where there has been a gross or manifest error in a special assessment, the court of revision may reduce the owner's share of the cost of the work.

Mr. H. J. Price (St. David): Mr. Speaker, before the orders of the day, as in former years, I would like to mention in this House that last Saturday, March 1, was St. David's Day.

This day is set aside by the Welsh people as their feast day to commemorate their patron saint, St. David, for whom my riding is named.

I would also draw to the attention of the hon. members of this assembly that, in July of this year, the British Empire games are being held in Cardiff, Wales. Ontario will

be well represented by members on the Canadian team, and we hope that they will enhance the goodwill which already exists between the people of Wales and the people of this province.

Mr. T. D. Thomas (Oshawa): I had no intention of referring to St. David's Day today, but of course it was on March 1, but in speaking of that great day as a native Welshman, born in Wales, I am not speaking for St. David's riding, I am speaking for every hon. member of the Legislature.

I am quite sure that they will all join me in paying tribute to a great little country across the other side. Although it is small in area and also small in population, I do not know of any country in the civilized world which has made a greater contribution to our civilized way of life. I am very happy to join the hon. members in paying tribute to the Welsh people in Canada on their great day when they pay tribute to the patron saint, St. David.

Mr. Speaker: Orders of the day.

THE STALLIONS ACT

Hon. W. A. Goodfellow moves second reading of Bill No. 98, "An Act to amend The Stallions Act."

Motion agreed to; second reading of the bill.

THE MINING ACT

Hon. J. W. Spooner moves second reading of Bill No. 94, "An Act to amend The Mining Act."

Motion agreed to; second reading of the bill.

He said: Mr. Speaker, here is a short explanation of this bill. The amendments proposed to The Mining Act would allow the engineer of mines to require unworked mines to be protected by means other than fencing. The present legislation provides that unused working shall be protected by fencing and this broadens the Act.

Another amendment deals with the requirements for temperature indicators on air compressors and these requirements are increased. Subsection 2 of the amendment provides additional safeguards against the inadvertent release of the hoist brake, and another section will permit the changing of balance of shaft conveyances carrying men on the fixed

or clutched in drum while shaft sinking, inspection or maintenance work is carried on, and the last amendment deals with providing certified copies of certain agreements.

Mr. Speaker, I would like this bill to go to the mining committee.

THE CHILD WELFARE ACT, 1954

Hon. L. P. Cecile moves second reading of Bill No. 90, "An Act to amend The Child Welfare Act, 1954."

Motion agreed to; second reading of the bill.

He said: I would like to add to the comments made in the first reading. I think I shall refer to all sections so that the explanation will be, I hope, well understood.

Subsections 3 and 4 of the Act itself had been interpreted as permitting the court to fix upon municipalities retroactive liability for the maintenance of children placed in the care of the children's aid societies for reasons other than statutory neglect. It was not the intention of this Act to make any such provision, and the proposed amendment rectifies the situation which limits the liability of the municipality to no more than 10 days' arrears.

Further, the amendment to subsection 5 became necessary because the limitation of temporary wardship to a total period of not more than 24 months was frequently circumvented by long and repeated adjournments which could not be included in a 24-month period.

The proposed amendment provides for the inclusion of all periods of adjournment in the total 24-month period of temporary commitment, and this amendment, I suggest Mr. Speaker, will have no undesirable effect.

Where continued protection of the child is necessary, recourse can be had for an order of permanent wardship which, if necessary, could later be terminated.

On the other hand the status of the child could change from ward to non-ward in the care of the society, either at the expense of the society or, with consent of the municipality, at the expense of the municipality.

Subsection 2 deals with fathers of children born to unmarried mothers who have evaded the liability fixed upon them by the court, although financially competent to meet the responsibilities. Provisions are made for the use of garnishee proceedings which will make possible the attachment of the wages of such a person.

In section 3, we have found that considerable hardship and anxiety have in the past resulted from unnecessary and long delay in the completion of adoption proceedings. Many of these delays have been occasioned by lack of attention by some solicitors and the children's aid society. We therefore believe that unnecessary delays and resulting anxiety will be reduced by mandatory attention to application.

Regarding part 2 of this section 3, there have occurred a number of instances where unmarried mothers have been asked to sign consents for adoption so soon after the birth of their children that they could not have any understanding whatever of the consequences of their action.

Further, it is well known that many mothers suffer periods of deep depression after the birth of their children, and may not be in an emotional state to appreciate the gravity of the decision they are called upon to make, and it cannot be over-emphasized that the unfortunate cases, the contested adoption applications which have recently come to public notice, have been occasioned by failure on the part of a parent, or parents, to appreciate fully the significance of their decision to surrender their children.

Through these amendments, it is intended:

(a) That a delay of 15 days after the birth of a child must elapse before the consent of the mother may be signed.

(b) That the mother's consent must be signed before a responsible public official.

(c) That during a further period of 15 days, a mother may cancel her consent through merely filing notice of cancellation with the director.

It is believed that with these provisions the root causes of the majority of contested adoption applications will have been removed.

And part 3 in this section makes provision that once the validating period and the cancellation period, each of 15 days, have passed, no written consent may be withdrawn unless the court is satisfied that the welfare of the child will thereby be best served.

It is believed that the foregoing provision will eliminate the majority of the contested adoption applications, and that this provision will assure that any which should be contested will be decided in keeping with the best interests of the child.

With the increasing knowledge of children and their need, the extended period once required for the assessment of the suitability of placements are no longer essential; further-

more they increase the public cost. In those cases where a decision cannot be reached without a longer probationary period, there is nothing to prevent an extension of time.

Also, this section, 5 of part 4 of The Child Welfare Act, will effect certain changes in the status of natural parents of children who are the subject of adoption orders, and of the adopting parents in such orders.

One purpose has been to extinguish, in law, all rights and responsibilities of the natural parents and kindred toward their children when these are the subject of an adoption order, except in respect of the laws of incest in the prohibited degrees of consanguinity.

A further purpose has been to establish, in law, the right and responsibilities of adopting parents and kindred and of their adopted children.

The overall purpose of these changes in status and relationship has been to create a legal relationship between society and the adopted child which is as close as is humanly possible to the relationship that exists between society and the child living normally with its natural parents.

Under the present provisions, although the change was intended to be effected in all respects, the respects in which the relationship is actually changed are specified, implying thereby, that in all respects not specified, the child is not deemed to be the child of the adopting parents.

The amendment here proposed is so worded as to provide that, upon the making of an adoption order, the child ceases, without specification, to be in all respects the child of the natural parents, and becomes the child of the adopting parents as if born to them in lawful wedlock.

The only exceptions to this change in relationship are those set down specifically in the amendment with respect to the laws of incest and prohibited degrees of consanguinity.

Lastly, Mr. Speaker, in order that all adopted children and adopting parents may enjoy their relationship to the full, without having to apply to the court for approval of their existing adoption orders, this Act makes provision for recognition and equal status of all adoption orders made in Ontario, past, present and future, and further recognizes, for all purposes in Ontario, those adoption orders made under the laws of any other province, state or country. This is done in order that desirable and stable social situations may also become so in law.

Mr. R. Whicher (Bruce): I would like to ask the hon. Minister a question concerning part 4 of section 60. It says in this part that a child means a person under or over 21 years of age. Now, surely, there is an age somewhere where a person cannot be regarded as a child. Would the hon. Minister explain that please?

Hon. Mr. Cecile: Well, for purposes of adoption, Mr. Speaker, I doubt if any age would make any change in terminology in that respect, it means the same thing. He is still a child and he can be adopted after 21 years of age.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, as director of the children's aid society in Oshawa, I would like to commend the hon. Minister. I think this is very, very good legislation long overdue and badly needed, and I would like to commend him. I think it is really worth supporting.

THE PUBLIC LANDS ACT

Hon. C. E. Mapledoram moves second reading of Bill No. 85, "An Act to amend The Public Lands Act."

Motion agreed to; second reading of the bill.

He said: Mr. Speaker, I might say that this Act is going to the lands and forests committee next Wednesday.

THE INVESTIGATION OF TITLES ACT

Hon. A. K. Roberts moves second reading of Bill No. 86, "An Act to amend The Investigation of Titles Act."

Motion agreed to; second reading of the bill.

THE INSURANCE ACT

Hon. Mr. Roberts moves second reading of Bill No. 87, "An Act to amend The Insurance Act."

Motion agreed to; second reading of the bill.

He said: Mr. Speaker, I might say that this amending Act has two or three provisions which I think are of interest to the House and to the public.

First of all, under section 1 of the bill, at the present time, property is excluded under a contract of fire insurance. It is covered for fire but excluded in connection with any prop-

erty undergoing any process involving the application of heat.

This amendment changes the word "property" to "goods" so that the exclusion is narrowed down. The exclusion now is for goods only and, of course, that simply means that if the policy is to cover goods as well, it must say so on the face of it.

The other section is one that has been brought about by reason of the age in which we live, the age of nuclear energy and the possible serious catastrophic results which can come from the use of that energy in some circumstances.

Loss or damage to property may be caused as a result of that, and if the nuclear reaction or nuclear radiation results in fire or explosion, the loss or damage caused by such fire or explosion is covered.

If, however, such nuclear reaction or nuclear radiation results in heat or energy alone, there being no fire or explosion, the insured property is not covered against the loss or damage so caused unless the policy contains a provision in that respect.

Now I do not know, Mr. Speaker, but it seems to me that perhaps that can be put very simply that the difference is really the difference between cooking to ashes in the one case or just evaporating by heat, but at any rate there is that distinction. In the one case it is covered and the other case it is covered only if specified in the policy. The magnitude of loss by contamination may be catastrophic in nature, and it will be covered by insurance only where the policy contains a provision to that effect.

I think those are the only two major changes in the bill.

Mr. Speaker, I move that you do now leave the chair and the House resolve itself into committee of the whole.

TOWNSHIP OF TAY ROAD ALLOWANCE ACT, 1958

House in committee on Bill No. 67, The Township of Tay Road Allowance Act, 1958.

Sections 1 to 4, inclusive, agreed to.

Bill No. 67 reported.

THE PROVINCIAL LAND TAX ACT

House in committee on Bill No. 68, An Act to amend The Provincial Land Tax Act.

Sections 1 and 2 agreed to.

On section 3:

Mr. F. R. Oliver (Leader of the Opposition): May I ask the hon. Minister how often this assessment is made at the present time? He says in the new Act it is to be made every 3 years. Is that the practice now?

Hon. C. E. Mapledoram (Minister of Lands and Forests): The practice now is to do it every year. It is done every year and the number of assessment notices have jumped about 3,000 to 4,000 or so in the last two or three years.

It has been a gradual taking over, or putting into effect, of The Assessment Act on provincial Crown land, and it has come to be a problem so far as getting assessment notices out through our district offices is concerned.

In addition, we do not think the assessments will change too much in that 3-year period, so now we are asking the right to make the assessment every 3 years, and divide the province into 3 different sections, so that there will be one section done every 3 years.

Mr. A. Wren (Kenora): Mr. Chairman, it appears by the content of this bill it is the intention of the hon. Minister of Lands and Forests and the Ministry generally to carry on with provincial land tax.

Now, I have had quite a number of inquiries in the north country since the hon. Prime Minister and Provincial Treasurer (Mr. Frost) brought down the budget the other day, particularly with regard to the possible adjustments in educational grants.

The House may wonder, Mr. Chairman, what educational grants have to do with this particular bill.

It has this to do with it, that over the years, much of the principle behind The Provincial Land Tax has been based on the presumption that a provincial land tax was necessary. It was perhaps considered to be reasonable that people should pay provincial land tax when they were getting educational grants out of proportion to the more settled parts of the province.

I do not intend to go into a debate today on the justification or otherwise of the assessment as it applies to education grants, but I do want to say this, and I want to be most emphatic about it, Mr. Chairman, that if there is going to be any downward adjustment—not necessarily in percentage, but in dollars and cents—in the educational grants in the districts, not referring to the counties but in the districts, then I think the hon. Minister is going to have to explain in a far more detailed manner why it should be neces-

sary to carry on the provincial land tax at all, especially to the extent that it is now levied.

Mr. Oliver: In regard to the provincial land tax, could the hon. Minister say what revenue the province derives from the land tax?

Hon. Mr. Mapledoram: I have not the figures in front of me, but I could get them. I must admit I have some sympathy with the hon. member for Kenora in what he said. And I might also say that the provincial land tax is to be given a complete "look-at" this year. I have asked the government to set up the members in my own department as well as members of the Treasury department, because I do believe there is some unfairness in the way the Act is administered.

Actually, as far as assessment purposes are concerned, they are using the Ontario manual, and the assessment work is done by our district offices, which I think try to do a good job. But I do believe there could be some unfairness in the way it is administered.

I must say that I have had some complaints myself, and letters, particularly from people in the north, who feel their assessments are too high. On the other hand there are probably cases where the assessments are not high enough, and I am thinking in terms of tourist resorts and quite large establishments.

The same Act applies to a piece of land which is taken out of the Crown under The Homestead Act and the same Act applies to quite a large summer resort project. I do believe there is some feeling of injustice on the part of some of the small land owners in the north in regard to this Act, but actually, as far as this particular bill is concerned, or the amendment to the Act, they are just for purposes of improving administration purposes, in this particular section.

But I do believe that next year we will probably bring in, or make a new attempt on, something towards what I think might be a different approach to The Provincial Land Tax Act.

Mr. Wren: The hon. Minister misunderstood, to some extent, the meat of the subject I was getting at. It is very important to the north country.

What I want to know is (let us forget educational grants for a moment, let us not think about them for a moment) but in the absence of the grants, the special grants—and they have been generous where necessary to outlying school areas—but forgetting education for a moment, what is the purpose

of the tax at all in the light of the high gasoline taxes and other rates for the construction, development and maintenance of roads? What is the purpose of the provincial land tax at all, if these educational grants are going to be adjusted?

I suggest that if there is going to be any general adjustment downward in dollars and cents of educational grants or any other grants, then this provincial land tax itself should be abolished.

Hon. Mr. Mapledoram: I might say that I have never heard any discussion in regard to cutting off any grants, or reducing any grants which come out of The Provincial Land Tax Act, and as I say again, this particular section deals only with administration practices under the Act as set up at the present time.

Sections 3 and 4 agreed to.

Bill No. 68 reported.

THE CORPORATIONS ACT, 1953

House in committee on Bill No. 71, An Act to amend The Corporations Act, 1953.

Sections 1 and 2 agreed to.

Bill No. 71 reported.

THE CORPORATIONS INFORMATION ACT, 1953

House in committee on Bill No. 72, An Act to amend The Corporations Information Act, 1953.

Sections 1 and 2 agreed to.

Bill No. 72 reported.

THE TEACHERS' SUPERANNUATION ACT

House in committee on Bill No. 73, An Act to amend The Teachers' Superannuation Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 73 reported.

THE MECHANICS' LIEN ACT

House in committee on Bill No. 64, An Act to amend The Mechanics' Lien Act.

Sections 1 to 12, inclusive, agreed to.

Bill No. 64 reported.

THE CERTIFICATION OF TITLES ACT, 1958

House in committee on Bill No. 66, The Certification of Titles Act, 1958.

Sections 1 to 21, inclusive, agreed to.

Bill No. 66 reported.

Hon. Mr. Roberts moves that the committee do now rise and report certain bills without amendment.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills without amendment and begs leave to sit again.

Report agreed to.

SPEECH FROM THE THRONE

Mr. A. G. Frost (Bracondale): Mr. Speaker, I cannot let this opportunity pass without saying, as others have said before me, that we appreciate the fairness and dignity with which the Speaker continues to preside over the proceedings of this House.

May I extend my congratulations to the hon. member for Peel (Mr. Kennedy) in respect of his address moving the acceptance of the speech of His Honour the Lieutenant-Governor of Ontario (Mr. Mackay). It is always good to listen to the hon. member for Peel, to see his kindly personality, and to appreciate his broad humanitarian outlook. He has given long and valuable years of service to his own community and to this province, to his country and to this House.

Because I have known the hon. member for Peel for over 50 years, I hope he may long be spared to be with us.

I also extend my warmest congratulations to the hon. member for Glengarry (Mr. Guindon). I listened to his remarks with interest, and I am sure his fine address of a few days ago, seconding the motion, is ample indication that he will make many a valuable contribution in these proceedings.

I should like to give an especially warm welcome to the hon. member for Glengarry, the hon. member for Middlesex North (Mr. W. A. Stewart), the hon. member for Elgin (Mr. McNeil), and the hon. member for Lanark (Mr. McCue), the 4 able young men whom we have added to our ranks. Two of the hon. members represent our great agricultural industry, one comes to us from the field of commerce, and the third represents the medical profession. These hon. members are young

in years but they all possess the primary qualifications for participating in our public life.

It is needless to say that each one of them has made a marked success in his business or profession. In contesting their respective ridings and entering this House they are, in my humble opinion, performing a service of very great value.

I also congratulate the hon. Prime Minister (Mr. Frost) on the success of his government in the by-elections which resulted in the elections of the hon. members whom I have just mentioned. If by-elections are a test of public sentiment, and I think they are, the hon. Prime Minister may be proud of the record of his government. In the many by-elections which have occurred since this government took office, not one has been lost by the government. This I construe as evidence of the abiding faith of the people of this great province in the leadership of the hon. Prime Minister and the high standard of government which it is achieving.

In my brief remarks there are two or three subjects to which I would like to give special attention:

First, I should like to speak of the work of The Department of Public Welfare. The increased provincial aid with respect to homes for the aged is something of which we can be proud. A few years ago these homes were almost entirely a municipal responsibility, today we are paying provincially 50 per cent. of all costs and literally we have assumed 75 per cent. of the maintaining costs.

Not only is this a substantial measure of aid in respect of local taxation, but we are meeting new demands for improved houses all over Ontario. My understanding is that a similar programme of generous aid is projected for houses operated by charitable and philanthropic organizations.

Life today is by no means as simple as it was even 30 or 40 years ago. The care of the aged demands adequate facilities. Money in itself is not sufficient. There are very many cases where housing and a moderate amount of nursing care is essential. The homes for the aged as built and operated today are meeting these pressing needs.

I also consider it a very happy circumstance that, partly because of the policies of this government and partly because of the now realistic Ottawa views of revenue distribution, we are now able to relieve the municipalities to a great extent of unemployment relief costs. The municipal contribution has recently been reduced from 40

per cent. to 20 per cent. in this connection. This, I think, is a factor which will be welcomed by every farmer and every householder.

There are numerous allowances to which the province contributes, such as blind persons' allowances, old age assistance and so on. These allowances have all been increased in accord with the recent increase in the old age pension by the federal government. I think I should sincerely commend the government of Canada for its recent increase of \$9 per month in the old age pensions. An extra \$18 to an elderly couple is a real assistance in these days of high living costs.

Almost as commendable, I think, is the interest being displayed both here and in Ottawa in the current study of the social security system of the United States. This contributing plan has many commendable features. It provides for somewhat earlier retirement benefits, and these are more generous than under our present plan. I think we may look forward to a gradual adoption of some such plan within the readily foreseeable future.

Without going into the vast and complicated details of such a plan, I would like to point out that today, in the United States, 90 per cent. of the earning population, whether salaried or self-employed, is covered under the terms of this social security. Surely we have here solid evidence of its success.

As this session proceeds, we will hear in some detail about the forthcoming plan of hospital insurance. Before we can successfully operate the hospital insurance plan, we must have ample hospital accommodation.

I was glad to know that, as of January 1, 1958, both the federal government and the government of this province increased grants for capital construction by just about 100 per cent. There are some variations with which I will not attempt to deal. However, if we consider the former grants for new hospital construction as distinct from nursing homes and so on—\$1,000 per bed provincially and \$1,000 per bed federally—here the scales of grants have been doubled.

I am deeply glad to know that the local autonomy of our general hospitals is not being disturbed. The moving force behind our great hospital establishments has been the work of public spirited men and women on a community basis. This happy situation is something, I know, which we would be very loath to see disturbed.

I should add a word about mental hospital construction. The venerable institution on

Queen Street West, designed by Mr. Howard, who donated High Park to the city of Toronto, is still serving a fine purpose. Recently we have seen a \$1 million addition put into use, adequate reception wards, modern laboratories and adequate offices. I have no doubt that this great hospital will serve this community for many more years as faithfully as in the past.

For the first time in history, the needs of the north have been recognized. A fine new mental hospital in North Bay, and another at Port Arthur, are serving a very long-standing need indeed.

I understand large additions are being made to many of the other hospitals, and that a new hospital is planned for the Chatham area and still another for the Huron-Bruce area. The increase for this type of establishment is in line with the increase in our population.

However, the construction of new buildings is accompanied by the application of the most modern treatment measures, so that the Ontario hospitals are maintaining a rate of discharge comparing favourably with that of similar hospitals throughout the continent.

In this Metropolitan Toronto area, our greatest difficulties arise from our fantastic rate of growth. Nearly one-quarter of the entire population of Ontario is located within the boundaries of this metropolitan area. Suburban developments dot the landscape in all directions, and the same is substantially true of all our larger urban centres.

Urban growth, so to speak, feeds upon itself, and the bigger the community becomes, the faster it continues to grow, whether we like it or not.

The very great growth of this and other urban centres produces a multitude of problems. One of the biggest is that of transportation. Thousands of our people morning and night must move for long distances to and from their places of work. Mass transportation is a tremendous factor, but whether we like it or not, transportation by automobile affords one of the most vexing problems faced by this or any other government. The story is the same all over America.

In New York city and Montreal the problem is in large part met by most elaborate commuter systems. If I recall correctly, the Long Island commuter service of the Pennsylvania Railroad during rush hours has a train leaving New York every 90 seconds.

I have spoken about the commuter services, or rather the lack of commuter services, in this Metropolitan Toronto area. We have a service of sorts between Toronto and Oakville, and to a very limited extent, our people

can use other lines on the railway network serving this city.

A railway map of the Toronto metropolitan area presents an interesting study. It shows a multiplicity of lines—through lines—with others of a local aspect. The fact of the matter is that none of these lines is operating at anything like capacity as to passenger services, and I suggest now, as I have suggested on many occasions before, that a drive should be made by this government, by our municipal governments, and if necessary by our federal government, with a view to enlisting the services of our great railways, in the solution of one of our most pressing problems.

Nobody wishes the railways to operate at a loss nor to perform any service at a loss. If such transportation should be subsidized, then let it be subsidized.

I have been encouraged in recent months by reading reports of statements by Mr. Donald Gordon, president of the Canadian National Railways, on this subject. These statements show a revived interest. I hope that Mr. Gordon's interest will continue, and I hope this administration will join with our metropolitan administration in trying to work out ways and means of reaching a solution to this great problem.

Our men and women in outlying suburban areas stand out in the cold, rain, and snow for long periods, hoping for the arrival of the infrequent buses which are all too few and which are a completely inadequate feature of suburban development. There are no shelters provided for these people. They wait in extreme discomfort. The problem is really not of their making because suburban housing is almost the only solution for their problems of shelter for themselves and their families.

The construction of an east-west subway would do much toward easing the problem of mass transportation, but it is by no means the complete solution, and only in a degree does it affect the transportation problems of our suburbanites.

Some of our railways have rights of way of considerable width. Is there any possibility that such surplus right of way, in certain areas, might be used for supplementary transportation perhaps by rapid transit buses? Is that field worth exploring? Most certainly, the sooner the problem of mass transportation in this, and ultimately others of our great urban areas, becomes the subject of extensive study, the sooner we shall arrive at a practical solution.

We are seeing some very fine highway developments in this particular area. The bottleneck at the Humber, which has been

a source of vexation for so many years, is being finally cleared up. We have highway facilities leading out of this city to the west which are fairly adequate; to the east, there is very considerable overcrowding and again, to the north, there is overcrowding.

The Toronto interceptor road is a credit to The Department of Highways. Without it the traffic conditions on the Kingston Road east of this city would have been nothing short of appalling. Highways such as Nos. 400 and 401 are not only a credit to this administration, but they are enduring assets which will benefit generations to come.

I should just like to say a word about education. We are in the midst of a tremendous programme of building schools which must continue for two reasons: First, many of our older schools are obsolete, and secondly, we have the needs of a vastly increasing population.

In the building of new schools I think the hon. Minister of Education (Mr. Dunlop) agrees with me that certain limitations must apply. Actually, the question is the same as that which faces anyone, for example, building a new house—namely, how much can I afford? So I suggest that the hon. Minister of Education is on the right track when he encourages a maximum construction, perhaps leaving the luxuries for later on.

I think I can speak for every home owner in Ontario, also, when I say we should welcome the present revision of education grants. Without going into detail, what is accomplished is to transfer a larger share of education costs from the farmer and home owner to the much broader provincial base.

I have noticed considerable comment of late about the abuse of high school facilities by a certain segment of our youthful population. I think we should commend any efforts which the hon. Minister of Education may make, with a view to clearing out of our high schools, our technical schools and our universities, that small segment of Ontario youth which cannot or will not benefit from the facilities which are afforded them.

If a boy or girl becomes a loafer in a high school, it would seem a kindness at the hands of the authorities when he or she is removed from the school and placed in some line of useful endeavour where he or she can learn the lessons of life in the school of hard work.

I should like to add a hearty word of endorsement in relation to the administration voting \$5 million for the purpose of enabling municipalities to get on with special public

works. As I understand it, the government is repaying 70 per cent. of the labour costs involved. Many of our municipalities have already taken steps to participate in this programme which will result in marked municipal improvement and in putting many thousands of our people into gainful employment.

Unemployment is distressing, but in this land of opportunity, it need not be discouraging. There are tremendous things to be done: new housing, new schools, tremendous highway development, new bridges, some of them of enormous size, land clearing, the works related to water supply, sewage disposal and natural gas distribution. There is no end to the list of projects which we can tackle in this great province.

I have an unbounded faith in this great future. All economies have their ups and downs, and have always had them. There will always be dislocations, but there is no cause for pessimism, in fact, quite the contrary.

I say to this House, and particularly to our hon. members opposite, that never in the history of this great province has there been launched such an extensive programme of human betterment as has been accomplished by this administration. I look forward to the future with confidence.

I suggest that one of the biggest duties lying immediately before this House is to consider measures which will tide us over our temporary difficulties, and which will contribute to that abounding prosperity which lies in the years ahead.

Some hon. members: Hear, hear.

Mr. G. Innes (Oxford): Mr. Speaker, it is a pleasure for me to join with the other hon. members of this Legislature, in paying tribute to the fine way in which you conduct proceedings of this House. While we have had object lessons, on various occasions in the way of praise being heaped on the hon. Prime Minister (Mr. Frost), and the other hon. Ministers of the government, I would like to remind hon. members that we on this side of the House—the official Opposition—have some very outstanding men, too. I am referring at the present to two outstanding men, namely the hon. leader of the Opposition (Mr. Oliver) and the hon. member for Brant (Mr. Nixon).

The hon. leader of the Opposition has guided the course of the official opposition with distinction. He has kept the government on its toes at all times. Much of the legislation put on the statutes of this province is a direct result of constructive criticism and suggestions made from this side of the House.

Whether the government hon. members care to admit it or not, it is a known fact that some of the legislation, blocked in one session of the House, becomes government policy in the next.

The hon. leader of the Opposition has been a tower of strength to this province, and this province is much richer by having had him, as a legislator, in this capacity continuously for 30 years.

I am also pleased to be associated with a party, which has as its dean of the Legislature, the hon. member for Brant. He has the distinct honour of sitting in this Legislature continuously for 39 years, longer than any other man. His sound and sincere judgment is respected by every hon. member, and I can say without reservation that any of the hon. members who have not had the privilege of knowing this man personally have missed an experience that cannot be obtained elsewhere. We all hope that he will be with us for many, many years.

I am going to speak for a moment on the unemployment condition at the present time, on some of its causes and what, in my opinion, will correct this condition.

First of all I want to remind the hon. Prime Minister, and the other hon. members of his government that, if it were not for the unemployment insurance inaugurated by the former Liberal administration in Ottawa, there would be a line-up of dissatisfied and hungry people from Union Station to the hon. Prime Minister's office.

I do want to remind the hon. Prime Minister that he is not being fair if he does not spruce up and take more responsibility for this present condition. His government has been in power for 15 years in this province, a province with one-third of the population of the Dominion; a province representing almost one-half of the revenue earned in the Dominion.

Surely, Mr. Speaker, this cannot be ignored any longer. During the last 6 months there has been growing unemployment in the province. The hon. Mr. Frost must assume some responsibility, and not continually lay the blame elsewhere.

The present difficulties experienced by many businesses and workers go deeper than just seasonal unemployment. There are many causes, but one of the most important is inflation. Inflation increases the price of goods until these goods are priced off the market. When markets vanish, there is no demand for goods, production declines, and unemployment increases.

Inflation takes place when there is a shortage of goods in relation to the supply of money. The available money starts competing for goods, prices rise, and the buying power of the individual on wages or pension declines. Government spending influences the economy. When governments spend more money than they take in, they put more money into circulation in competition for goods and thereby contribute to inflation.

Governments which collect more money than they spend can use the remainder for tax cuts or savings. They can apply this surplus to a reduction of debt. In good times, debt reduction makes good sense, so that in times when the economy declines and people are unemployed, the government can borrow on its credit. Borrowing can be used to aid unemployment, by creating work projects or by tax cuts, as a stimulant to business by creating purchasing power that will cause industry to expand and to employ more people. Reducing taxes on individuals, and on industry, is a very real way to help cure unemployment.

The Conservative government in Toronto has not saved in the good years. Since 1949, when the hon. Mr. Frost became Prime Minister, the net debt of Ontario has increased from \$275 million to almost \$760 million as of March 31, 1957, and will increase another \$100 million this year to \$860 million. Every day the hon. Mr. Frost has been Prime Minister, his government has added \$100,000 a day to the province's debt. During 1957-1958, the debt increased by \$100 million or—and I repeat—or \$12,000 per hour, 24 hours a day.

I do not feel that artificial means will cure this present recession. True, a programme of economic development and public works will be a temporary measure, and be a sort of stimulant.

However, and I say this most emphatically, we must reduce taxation on small businesses and industries which are trying to carry on under present conditions. They have been the backbone of the expansion and prosperity of this country for decades, and they are the ones who must receive aid immediately. We cannot collect taxes from business and manufacturing firms after they have closed their doors.

We must seek ways and means to encourage expansion. For example, one way to discourage industry was the Ontario government's increase in the corporation tax, put on by this government last session (which, incidentally, was voted against by the whole Liberal party). It was a knife in the back of every small business throughout this province. It was uncalled for at the time, and under the pre-

vailing economic conditions was detrimental to our economy, and I suggest this increase in the corporation tax should be repealed at once.

High taxes limit corporations from expanding, thus limiting the employment potential of industry and may, in fact, take its part in discouraging industry. This and other factors may actually bring about the flight of industry from a community and in some cases even from the country.

We had an example of the flight of industry from my home city of Woodstock, and many more such cases throughout the province—the Wood-Mosaic Company which employed upwards of 200 people, and supported possibly 800 people in the community, closed down because of economic and other conditions. I understand that the machinery is now being shipped to the Philippines.

This is a shocking situation, and to my knowledge no move was made by the government, or any other group, to discuss their difficulties and encourage the continuance of their operations. There are many, many more examples throughout the province.

I submit that a Department of Industry should be set up in connection with The Department of Planning and Development, to keep the industry we already have. A Department of Industry would be a great asset to small manufacturing firms who could go to it for advice and help in continuing and extending their operations.

Possibly a period of tax exemptions could be given, as is now the case in mines. This would encourage small businesses and manufacturing firms.

Efforts should be made by this department to encourage the manufacture of goods in this province by firms which are now importing them from other countries, and I would strongly stress that we should have a programme to buy more Ontario products.

May I repeat again that government must encourage and co-operate with industry if we are going to reduce unemployment by expanding employment opportunities.

I want to speak briefly regarding highways in the province. Highway builders encounter many difficulties. However, some of these problems in buying land could be overcome if more planning was done beforehand. A master plan as advocated by our party last session would be a good thing if it was carried out right across the province.

The closing of roads is causing many hardships in certain communities. About 3 months ago, The Department of Highways held a

meeting in the county of Oxford, in the townships of Blandford and Blenheim, and the land owners were brought to this meeting because the department wanted to explain to them what was going to be done, and intimated to them that some roads would be closed on the route of highway No. 401.

In the meantime, the land owners became alarmed, the villagers and the people in the towns also became alarmed, but they wished to co-operate with the department in all ways possible. But when I came down to the House and inquired about this situation, they told me that nothing was going to be done definitely for 2 or 3 years.

At the present time, these people are in a state of confusion, they know the roads are going through, they do not know which roads are going to be closed, they do not know how much they are going to be compensated, but they do know that they are going to be in real trouble.

There are many factors which affect road closing, and I strongly feel that the government is not taking the right action concerning many of the road closings throughout the province. There are many factors, such as mail delivery, fire hazards, distance away from neighbours, maintenance by the municipalities themselves, and dead-end roads, and these I feel certainly need closer consideration by The Department of Highways at the present time.

In my own county of Oxford, we have many narrow bridges on main highways. I have brought this up in the House before, but I want to mention it again because, seeing that we have a safety committee sitting in the House this time, I think it is most important that we take a look at these narrow bridges where only one car can pass on an otherwise main highway. They are certainly death traps which we must overcome.

I was particularly interested in the remarks of the hon. member for York-Humber (Mr. Lewis) and his driver-training outline which he gave to the House last week, and I certainly agree with his sentiments wholeheartedly.

However, for the moment we can, and must, have a more consistent procedure in issuing drivers' licences. I say it is much easier to refuse drivers in the first place than after they have committed an offence, and I think many of the hon. members who have had complaints from their constituents along this line would certainly agree with me.

I was particularly in favour of the remarks made by the hon. leader of the Opposition

last week, and I am wholeheartedly in accord with his suggestion, and I certainly hope that the hon. Minister of Highways (Mr. Allan) will act on this important feature of the driver handicap situation in this province.

In the county of Oxford we are still confronted with many railway crossings, involving many accidents. Two years ago I spoke in this House on one particularly dangerous crossing at Creditville, on highway No. 2, and I may state that this overpass is now in the process of completion.

However, in the town of Ingersoll, in the county of Oxford, we have a very bad railway crossing situation, where numerous deaths and accidents have occurred since 1947. The report from the board of transport commissioners for Canada shows the following:

C.N.R. crossing (Mutual St.) North River

June 17, 1947; 1 killed

May 21, 1948; 1 killed, 1 injured

April 3, 1957; 1 killed

December 29, 1957; 1 killed

C.N.R. crossing (Thames St.)

June 13, 1954; 1 killed, 2 injured

C.N.R. crossing (McKeand St.)

June 7, 1947; 1 killed

C.P.R. crossing (Mutual St.) South River

May 17, 1948; 1 killed, 1 injured

C.P.R. crossing (King St.)

April 15, 1953; 1 killed.

Now I would strongly urge that The Department of Highways, The Department of the Attorney-General, and the board of transport commissioners act on this very tragic situation in the town of Ingersoll.

Hon. A. K. Roberts (Attorney-General): I think that I can speak for the hon. Minister of Highways, who is not in his seat, as well as myself to the extent that we both believe we have been putting pressure on the federal authorities to move in that direction as much as possible. I do think that, in the last couple of years, there has been a great deal more effort made than ever before.

Mr. Innes: I, like the hon. member for London South (Mr. Jackson), am very much concerned about the empty bed complement in the sanatoria in the province. As was stated, 24.5 per cent. of these hospital beds are empty.

I only want to suggest that, since great strides have been made by the medical profession in reducing tuberculosis, and since there is a greater need for research in some of the other diseases, that we endeavour to convert some of these into research hospitals for things like cancer or heart disease, which are so prevalent at the moment, and which need more support and encouragement from this government.

I would like to speak briefly about one aspect of education, and the present Conservative government's policy of undermining the standard of teacher training. The Royal commission on education reported in 1949, in a submission to the Conservative government entitled, *An Emergency Training Scheme for Teachers for Public and Secondary Schools of Ontario*, that:

The first objective must be to discontinue the emergency normal school summer sessions and the issuance of letters of permission.

Further on in the report, the commission stated:

Before submitting our recommendation, we must state that any lowering of qualifications for entrance to the teaching profession is contrary to our convictions.

Recommendation No. 2 reads:

That the length of each training course under the emergency teacher training scheme be one school year.

It is nearly 9 years since this report was submitted to the present government. Figures prove that the government has not moved to discontinue the issuance of letters of permission. In 1949 there were 1,069 teachers in Ontario schools on letters of permission. The last report submitted by the department, for the year 1956, shows 943 teachers still teaching on letters of permission.

In 1952, just 3 years after it was recommended that the emergency summer sessions be discontinued and the length of each training course be one school year, the government inaugurated a new programme for emergency training.

Academic qualifications for entry into the teachers' college were lowered to grade 12 standing. The length of the training course before teachers entered the school system to teach was not one year, but 6 weeks.

This emergency training programme today is training more teachers by the short method than the regular full year course for grade 13 graduates.

In 1955, some 1,483 students with grade 13 standing were trained for the full one year course; in the same year, various stages of the emergency training programme were being taken by 1,993 students.

In 1956, some 1,575 students were taking a full one year course and 2,221 were at various stages in the emergency programme.

In 1955-1956 the emergency training programme for secondary school teachers graduated more students than did the regular course.

The hon. Minister of Education (Mr. Dunlop), when confronted with the fact of a lowering of the teacher training standard, merely shrugged and answered: "I have not lowered the standards, I have just changed them."

It would seem that, rather than eliminate the emergency training programmes, the government has converted an emergency into a permanent condition in the educational system.

No one would suggest that a surgeon is qualified to operate on a patient after a two-month course in surgery, or that engineers are qualified after two months of instruction. Yet The Department of Education, in statements issued by the hon. Minister, would have us believe that anyone is capable of teaching our children in any grade from 1 to 8 after 6 weeks of instruction. It does not make sense. The hon. members know it and I know it. The hon. Minister of Education and the government also know it, but they do not want to act.

As a farmer, I would like to speak for a few moments on some of the problems confronting farmers at the present time. Agriculture is a basic industry. Since 1952, agriculture has been a depressed industry in an otherwise booming economy. Farmers have not received a fair share of the general prosperity, and the Ontario government has done little to assist them.

The farmer has always been one of the best spenders in the country, and when his buying power is curtailed, we see curtailment in other basic industries. The farmer has always been a large purchaser of the products produced and manufactured by these other basic industries.

At the present time we have, in the province, several marketing schemes, some in operation and some in the process of organization. I believe farm marketing schemes are good for the farmers. There have been mixed feelings on the part of some producers about the sincerity of the government's support for

marketing boards, and I feel that it is most important that government makes clear its position in regard to them.

It would appear that there is a revolution taking place in agriculture at the present time which will intensify, not diminish, in the future. The present cost-price squeeze, the high cost of goods which the farmer buys, high taxes and insufficient farm credit have caused many problems for farmers. In industry automation has reduced the cost of many commodities. Automation offers some hope for agriculture, and will undoubtedly reduce some costs.

Unfortunately, the difficulty has been in finding enough money to warrant expenditure for equipment in order to automate to the extent necessary to show a profit.

True, The Junior Farmers' Establishment Act has been of assistance but, unfortunately, it is outdated and must be extended and brought into line with today's thinking. The loan limits should be increased. The age limit should be increased.

While it was possible 10 years ago to start an operation on \$10,000, today this figure has practically doubled. A credit bureau should be set up to aid farmers who are already established, and who need additional capital. Insufficient capital, to some extent, has increased the growth of the so-called contract farming.

Shall the small, self-sufficient operator be displaced by the big corporation which will, in all probability, not only mass produce farm products like its industrial counterparts, but quite possibly own the land along with the processing and the distribution facilities?

There is the prospect that under contract farming, the independent farmer will become merely a tenant or a labourer on the farm he now owns. Should the government step aside and let this farming group disappear, or should the government move to preserve this independent class? I believe the independent farmer should be encouraged to own and operate his own business and that the government, if necessary, should take steps to protect him against the onslaught of corporate engulfment.

Some positive steps which the government can and should take, at the present time, are:

1. A more realistic and extended farm credit system, more in conformity with present-day needs.
2. A comprehensive study of land use in the province.
3. The study of the economic picture as it affects agriculture with special emphasis on automation.

4. More research in farm management with special consideration to efficiency as it affects the individual farmer.

5. Marketing and its various related factors such as contract farming.

I would like to refer for a moment to The Milk Industry Act. This board, which is now in operation, has many problems and I believe is trying to administer in a fair way. I would like to express my agreement with the formula pricing of milk which has been very satisfactory and from which I hope the board will not deviate.

With the advent of bulk handling of milk, there have been many advantages to the producers and to the distributor.

However, we have also many disadvantages. It has created some responsibilities which this government must assume and must assume immediately:

1. There must be a training course given under government supervision for drivers of bulk trucks regarding quality of milk.
2. There must be more check tests made for butter fat and for the weight of milk at the farm, under government supervision.
3. Last, but by no means least, there must be a policing of milk trucks in this province to some degree.

There is, and has been, bootlegging of milk in this province from one market to the other, and it must be stopped at once. Cheap milk is being sold on high priced markets, and the producers are not receiving the benefits. Along with this, some health regulations are being violated under this new set-up.

I want to speak for a moment on pipe lines, and I want to congratulate the hon. member for Lambton East (Mr. Janes). I am sorry he is not in his seat, and will say that I was pleased to see the change in attitude on his part, and that he is now not as agreeable to the rulings of the fuel board as he had been in the past.

In the county of Oxford, we have had various pipe lines and telephone lines crossing the lands of the farmers.

When attending the hearing of the fuel board last summer, I was not particularly impressed with the way in which the farmers were received. Briefs were presented and speeches were made by the pipe line company officials, and also by representations of several groups from towns and cities that are receiving the gas or oil as the case may be. Incidentally, the farmers whose lands these pipe lines go through were left to the last.

They have not and are not receiving their just consideration.

In this regard, I would like to relate an incident which happened last year in my riding. The Department of Highways signed an agreement of sale to a farmer in April, the farm to be vacated in November. In the meantime this man passed away, and after the widow had sold all her stock and implements she could not collect from The Department of Highways. Why? Because, in the meantime, a pipe line company stated its intention of going through this property.

Now, Mr. Speaker, I ask you, if The Department of Highways is shying away from the pipe line, how do you expect the individual farmer to fight for his rights, if the department will not?

Fortunately, after some negotiation, the department did agree to negotiate with the pipe line company, and made partial payment, but as of today this widow is still not paid and it is certainly a disgrace to this government.

It is not fair when pipe line company officials encroach on land owners, approaching them on negotiations before they have had a chance to consult with an authority on pipe lines. It is most essential that they have representation appointed by either the government or themselves, but certainly under government jurisdiction. The companies must stand good for all damage which may take place in years to come, such as damage to drains in particular and other crop damage. It is most unfortunate that the government did not step in and set out a definite path for pipe lines across the province; instead they run in every possible direction, cutting drains in every possible way.

Company inspectors, buyers and surveyors, in many cases receive more money than do the farmers themselves. Since the fuel board has the right to expropriate, the land owners should not have to hire expensive lawyers to defend them, which may cost them more than the compensation they receive. This is totally unfair.

And may I suggest that all easements should be settled and paid for before any gas or oil, as the case may be, flows through the pipe line.

In conclusion, Mr. Speaker, may I say that I have tried to bring honest, constructive criticism before this House today, and trust that this government will also try to be realistic and consider some of these problems which the people of this province have a right—and a fair right—to expect.

Mr. A. Grossman (St. Andrew): Mr. Speaker, as is customary, I would like to add my words

to those of the other hon. members who have made complimentary remarks regarding the fair, good tempered and unbiased manner in which the Speaker has conducted the affairs of this House.

I would also like to congratulate the hon. member for Peel (Mr. Kennedy) who had the honour of moving the motion in reply to the speech from the Throne.

I recall earlier days in my youth, Mr. Speaker—some 20 or 25 years ago—when I haunted the halls of this assembly for quite a lengthy period of time. I used to watch the debates in this assembly, and I had a great respect and admiration for the hon. member for Peel then, and I must say that this is one case where familiarity has not bred contempt. He is a great citizen and, in my opinion, is the personification of everything that is best in democratic life.

Incidentally, Mr. Speaker, the hon. member for Peel introduced a bill before the committee on private bills last week, having to do with the township of Chinguacousy. Now this was a new name for me. I did not know there was such a township in existence. Surprisingly enough, over this weekend I was poring through some old books in my library and came across a book which was about 70 years old and which contains the maps of most of the important cities of the world and maps of the provinces as they existed at that time, and I noted on the map of the province of Ontario, Chinguacousy was printed in very bold type and was apparently a very important centre at that time.

Mr. Speaker, I would like to have the privilege sometime, like some of the other hon. members—particularly the last one, the hon. member for York West (Mr. Rowntree), I believe, the other day—of taking hon. members on a tour of my riding. On such a tour of his riding, the hon. member for York West spoke of going so many miles to the west and so many miles to the south, and I, to some extent, envy some of the hon. members when they are able to take us on such a descriptive tour.

Some hon. members I think even have ridings which, in terms of distance, can be expressed in hundreds of miles and so on. Therefore, I am afraid I would not be very impressive nor very descriptive, nor find very much interest, if I tried to take the hon. members on a descriptive tour of my riding, because I think from east to west in a brisk walk, one could cover my riding in about 3 minutes, and by motor car I think one could go from east to west in a matter of about 30 seconds. That, of course, is if the motorist is driving at about 4 o'clock in the morning;

when traffic is heavy it might even take as long as 15 minutes.

I must say, however, that while it is a very small riding, it is, and was at the beginnings of this city, the heart of the city. The best people in the world live in that riding, and I might also add they are from all over the world.

I would like, at this time, to pay tribute to our great civil service. The people of this province have much to be grateful for in their civil service—this fine group of people which keeps the machinery of government running smoothly and efficiently. I, and I am sure most of the hon. members in this House, have experienced their many kindnesses and their great understanding.

Mr. Speaker, I have been increasingly concerned about the problem faced by persons who are handicapped by physical disabilities, and by that I do not mean just crippling disabilities, but those weakened by heart conditions, heart disease, heart failure and just plain old age.

I have been constantly approached by many people who are able to do some kind of work, full-time or part-time, and who have found it a very difficult task to find their proper sphere in our economy. They would like to retain, and in many cases restore, their self-respect. They want independence through self-support.

There is machinery now in existence to look after these people. I would like to point out to the hon. members that the national employment service, under the unemployment insurance commission, has what is known as a special placements division.

This is a division which is established to find jobs for the handicapped, and is supposed to get employers interested in finding some place in their business for this type of people to which I am referring.

If they find, upon interviewing an applicant, that in their opinion this applicant could benefit from some vocational training, they are referred to the Ontario Department of Public Welfare, and if this department decides that they can get some vocational training which would do them some good, they arrange for the same, and share in some of the costs with the federal government.

I have lately been looking into this problem, and I have done some research on it. I find that the existing programme does a great deal. I am pleased with some of the results, and would like to put on the record one or two case histories of what happens in some of these instances.

Case No. 1: Until the onset of a severe attack of arthritis, this 35-year-old man was steadily employed as a truck driver and able to support his family of 5 children. Following his illness, it was necessary for him to give up his job and spend 4 years in a Toronto hospital receiving treatment for his condition. During this period, he and his family were maintained by unemployment relief.

For many years this man had been interested in radio and television, and when he had recovered sufficiently from his illness, arrangements were made to provide him with a formal course of training in radio and television repair. When I say arrangements were made, I mean, by The Department of Public Welfare of Ontario.

Following a successful completion of his course, this man obtained employment with a radio and television supply company as a stock-keeper, and also developed a repair business which he operated from his own home.

Case No. 2: A 23-year-old man had planned a career in teaching. His parents were in rather poor financial circumstances and were unable to finance his education. He therefore found it necessary to earn his way through university by working in the summer and during the evenings.

His health suffered, however, and he developed tuberculosis just after he obtained his Bachelor of Arts degree.

Following a period of treatment in a provincial sanatorium, arrangements were made to pay for the cost of a course at the Ontario College of Education, and he is now successfully employed in a secondary school in Ontario.

Now, Mr. Speaker, I have many, many such examples of what the existing facilities are accomplishing. And to the extent that this work is being done, much credit is due, I would like to point out, to the Deputy Minister of Public Welfare, Mr. J. S. Band, and his very, very hard-working staff.

I know that many hon. members of this House have found a sympathetic approach to these types of problems which they have brought before the hon. Minister (Mr. Cecile) and the Deputy Minister, and the only reason I am not mentioning the hon. Minister himself is because I would hate to feel that, by my omission, it was implied I had not received the same type of co-operation by the other hon. Ministers of the cabinet.

However, the plan at the present time still falls far short of what is required. There are

some people, for example, who are unable to accept formal training for employment.

For example, a person who has been a labourer all his life, with no education, gets a heart condition. Now, this man could do some light work. There are examples where people are perfectly healthy but employers will not employ them because they are not interested in employing someone who, in their opinion, has passed the age group which they are interested in employing.

Some employment is being found for many of these people through this special placements division to which I referred, and who are, as I say, doing a fair job to the extent they are doing it.

But it is on too limited a scale. There are too many handicapped and older people left on the shelf to deteriorate in idleness. In some instances, we have found, they contract some mental instability because of their idleness.

Now many of these could prove their worth if given a chance, and many do not require any formal training. They merely require a job, and many jobs require no particular skill and very little physical effort.

What should be done, Mr. Speaker? Some private organizations engaged in rehabilitation work serve to strengthen and support the rehabilitation service branch of our Department of Public Welfare. This rehabilitation work generally requires the partnership between these private organizations and public endeavour.

At this time, I would like to pay tribute to these organizations which deserve our highest praise for their work in this regard. I am thinking particularly of the excellent and devoted work being carried on by such organizations as the Canadian Paraplegic Association, the Canadian Arthritis and Rheumatism Society, the Society for Crippled Children, the Society for Crippled Civilians, the Jewish Vocational Service, the Canadian Hearing Society, the Canadian National Institute for the Blind, Variety Village, Canadian Goodwill Industries, and many, many others.

Mr. Speaker, too many employers are failing to recognize that people, even over age 45, are, generally speaking, more reliable than younger people. Many of these people have no young families requiring their time and attention. Their only interest is in their job, they are more settled in their habits. I am sure that if employers gave many more of these people an opportunity, they would find that, generally, they are a more stable type of employee.

Incidentally, in discussing this matter with many employers, I find that some of them fear employing people over 45 because of the so-called effect on their pensions plans. I am hoping, Mr. Speaker, that the announcement by the Rt. hon. Prime Minister of Canada (Mr. Diefenbaker), that his government is studying the United States social security scheme, will result in correcting this situation so that employers will not fear employing people over 45 because of the effect on their pension plans.

Now to go back to the special placements division, Mr. Speaker, the point of the matter is that their services are too limited in scope. They are too limited in their numbers of staff, and therefore too limited in time, to give the type of special and personalized attention required for this kind of people.

They are supposed to seek out prospective employers for individuals and, of course, while employment cannot be found for all of these people, there are far too many who could be employed if a more personalized service were given to them. The division must have adequate staff, they must have the energy and the drive and the zeal to do the job. I appeal to the federal hon. Minister of Labour (Mr. Starr) to review this situation as soon as possible with a view to instituting a dynamic programme to meet the problem.

I realize that the present employment situation does not lend itself to the placement of those referred to here, to the extent that it might, but this is a good time to reorganize and expand the facilities, and embark on a programme of vocational guidance service, training and rehabilitation in a real dynamic manner.

I repeat, Mr. Speaker, we must give more intensive attention to those who cannot find their way into the normal stream of economy without help and guidance of people with sufficient time to give them the specialized attention they require in their problems for employment.

Another subject I would like to touch on at this time is the matter of government commissions. I have always believed that there is a great danger in our complex society of placing too much power in the hands of commissions and boards. This has been my concern for many years, and I was pleased to hear the hon. member for Bruce (Mr. Whicher) raise this question. I was very much interested in it, and if I may be privileged, Mr. Speaker, I would like to read just a small excerpt from an address I made in the city of Chatham a year ago.

The hon. member for Bruce might find it interesting unless, of course, he read that speech, which I think I would be flattering myself to suggest.

At that time I said:

Of course, one could argue that indirectly the taxpayer controls the commission through his elected representative, who does the appointing of the commission. In theory, that is correct, but not in practice. The whole machinery of government is so complex that very few of the elected representatives ever know more than a fraction of what is going on in the administration of the commission.

Now, this is true of most commissions. We now have the harbour commission, transportation commission, hydro commission, racing commission, fuel board, transit commission and others. In some instances, commissions are set up—I would like the hon. members to pay attention to this please—set up with added insulation against the so-called whims of the taxpayer by clothing that authority with a beautiful little rider added to its powers which reads, “there shall be no appeal against the ruling of the board or commission.” Mr. Speaker, if anything was ever a clear case of stripping away the rights of the citizens, that rider is it.

Now, I do not argue for one moment that we can operate our complex governments today without what I call the necessary evil of the board or commission. What I do say, however, is that we should give some serious thought to protecting ourselves against that fateful day when everything we do, own or operate, will be “by authority of” a small group of commissioners, so far removed from the people that we will have lost completely what freedom or liberty we ever had.

Now, the next remark from the speech I made at that time is what led me to believe that perhaps somebody had handed the hon. member from Bruce a copy of that speech:

Perhaps it would be a good idea to elect, along with every board or commission that is appointed, a committee which would act as a sort of official opposition to that board or commission, a committee which would scrutinize, comment, and report to the people on any aspect of its respective board or commission which it deemed would be of interest to the people.

I think that this is a matter which is very worth while looking into, and at the same time, I think that the committee which is reviewing and considering this matter might

also look into the matter of this business of requiring citizens to obtain flats to sue the Crown. That is particularly important, I think, because many of the commissions as mentioned are also now, because they are considered Crown bodies, protected in the same way, and I think it is very, very important that we review that.

The safeguards that have been built into our system of government over decades, most of the time, are not transferred when the assets or powers are transferred and delegated to the boards. Some even have powers of expropriation.

One of the safeguards, a very important one built into our system, is the safeguard of the assembly and, of course, the official Opposition. This is a very important function in keeping alive our democratic state. Perhaps the standing committees could serve as some sort of official opposition.

I also would like them to consider the business of the right of appeal. I think it is unfair and unjust, generally, that a citizen should have no right of appeal to a ruling of a board. I think it is basic to our freedom to have the right to appeal, and there should be no such thing, unless someone can prove a very good reason for it—and it would have to be very good—that there shall be no appeal from the ruling of a board or commission.

However, I will not go into this in any further detail because I think we could quite properly await the report of the committee on government commissions which is to study this matter. However, I do welcome the action of the government in asking that this matter be reviewed and, incidentally, the hon. Prime Minister's action in regard to the reviewing of the commissions is an example of why things are somewhat difficult for the Opposition.

You see, Mr. Speaker, the government does not wait for criticism if it becomes aware of a situation needing attention. Generally speaking, it proceeds to take action.

I have watched the proceedings of this assembly for the last two years with a great deal of interest, and I looked over at the hon. members of the Opposition and asked: “Why are they having so much trouble all these years increasing their representation?”

I think that I can honestly say, as objectively as one can when one is a member of a party supporting the government, that generally speaking the problem of the Opposition is that they are facing a government which is giving very good government.

Now I do not think the coming Liberal convention is going to solve that problem. I think that the hon. leader of the Opposition (Mr. Oliver) is very capable, and I repeat, it is not the fault of their leader, it is the fault of the government in power. The government in power is making it just too difficult for them to pick holes in its armour. I think a good example of this is to use their own words.

The hon. member for Essex North (Mr. Reaume) and others use this expression from time to time. They have said: "If you lose hon. Mr. Frost, you will fall to pieces."

Well I maintain, Mr. Speaker, that that is an admission that we are getting good government, because we could not have good government and a poor leader, and we could not have a good leader and poor government. One cannot have it both ways. If you have good government, you have a good leader; if you have poor government, you have a poor leader, so in effect, they are saying that we have good government and that is their problem.

Mr. Oliver: Does the hon. member agree with them?

Mr. Grossman: There cannot be good government with a poor leader.

I would not have said what I did about the hon. leader of the Opposition except that I seem to have read somewhere that he is planning to relinquish his leadership of the party. I do not know whether or not that is true.

The reason I say I would not mention it, is because I would not want anyone at the Liberal convention to say: "Well, if a Conservative thinks he is a good leader of the Liberal party, why I guess he is not so good for us." That is, the Liberals. I would not want to give him the kiss of death.

It is the Opposition's duty to oppose of course, and oppose wherever they see any weakness. In fact, perhaps they oppose sometimes when they do not see any weakness in the hope that they might expose some weakness. But the hon. Liberal leader has been charged quite often with being too much of the gentleman because he will not make rash charges with tongue in cheek, to oppose legislation which he generally sees is good legislation.

I have seen him here disagreeing very strongly, very capably, very ably and very eloquently when he disagreed with what the government was doing.

Surely, the Liberals are not seeking a leader who makes very rash charges, like the hon. leader of the CCF (Mr. MacDonald). It is too bad he is not in the House, I would sooner he were here to hear this. I think that the hon. member for York South makes too many careless and vicious charges and too many personal attacks.

Of course, this government is by no means perfect. All governments leave much undone. There is generally in our complex society today, so much to be done by governments that they must do first things first and this government, generally speaking, is doing a good job on first things first. Of course, only the CCF socialists would leave nothing undone. They have the perfect answer for everything.

Mr. R. Gisborn (Wentworth East): That is right. The hon. member has made a point there.

Mr. Grossman: He agrees. The hon. member of the CCF party agrees that they have all the answers.

What I have pointed out, Mr. Speaker, about the Opposition's difficulty in finding any weaknesses in the government's armour, was exemplified by this business of government commissions. The hon. Prime Minister read the auditor's report and immediately took action on it. I think, as a matter of fact, if I recall, the hon. leader of the Opposition that day said: "The hon. Prime Minister must be reading my notes, because I meant to mention that, to make some comment on that today in the House."

Mr. Oliver: Oh, he remembered a speech I made last year, I think.

Mr. Grossman: Well, that may be and I think that it is a good thing.

Mr. Oliver: Hear, hear!

Mr. Grossman: I think we can say that a leader of a party, a leader of a government, who sees these things that need to be corrected, which need some attention, and without too much prodding goes ahead with the job of doing it is a good leader.

On the question of unemployment, his unemployment relief measure is a perfect example of this. He immediately took some action to help the situation.

Now, of course, there are complaints that it is too late, that is too little, that it is too conditional, that it is too this, too that. Well, I mentioned in the House the other day, these were exactly the same complaints that were

made two years ago and incidentally, there was lots of unemployment then. I think there were some 500,000, and no depression resulted from it. There was no disaster. We were able to come out of that very, very well.

The same complaints were made in 1955 and incidentally, I repeat, at that time the grants were unconditional, but the unconditional aspect of it, as a matter of fact, created just as many complaints, just as many problems, and just as much so-called delay.

For instance, in the city of Toronto, as I mentioned in the House the other day, some wanted to use the grant to reduce the tax rate. Some wanted to use part of it to reduce the tax rate. Some councillors wanted to use it for direct relief with no works programme. They said it could not work. A member of the city council said: "The hon. Prime Minister's letter is too ambiguous. We will never accomplish anything with this."

As a matter of fact, I remember that day in city council. We argued for hours, I think it was 12, and there were about 10 or 12 motions presented and, when we finally decided to use all of the \$500,000 for an unemployment works programme, we failed to get a two-thirds majority because at that time, I think, it was a question of overruling the board of control, and it required a two-thirds majority because it was a money expenditure. But we voted 5 or 6 times and we finally approved of the plan.

The result? There was immediate action taken, it was a good programme, and it was not just so-called raking leaves.

Incidentally, that programme as well as the one in existence now in the city of Toronto is doing one good job at least in that it is picking the wheat from the chaff. Those who do not accept this kind of work and are able to do it are being cut off from relief. So we are at least finding out the people who are entitled to get some relief assistance.

Everyone then was happy with the results and the same thing will apply now.

As a matter of fact, last week the Opposition was claiming that it was taking too long to put it into effect. That same day, it was last February 21, the same day the headlines said: 400 ON CITY RELIEF TO START WORKS PROGRAMME MONDAY. That was the same day the charge was made, incidentally.

As a matter of fact, I heard his worship Mayor Phillips on the radio yesterday, and his remarks were somewhat along the following lines. He said:

A magnificent job is being done in that, in the few days we have instituted this

plan, over 800 have been taken off direct relief and are doing a productive day's work.

So I do not think the Opposition should make disparaging remarks about this business of raking leaves and filling potholes and so on. I do not think that is a nice thing to say. I do not think they should put people, who are working for a day's pay, in the category that they are doing a menial and contemptible type of work. It is a good, honest day's work and is doing a wonderful job for the city of Toronto.

Mr. Speaker, I do not suppose this is a perfect programme. There is no such thing as a perfect programme because, as I mentioned before, only the CCF have perfect answers to everything. It will probably need some changes, but so far I have heard no practical suggestions offered by the Opposition as to how they would change it. Not one.

And let me again repeat; Mr. Speaker, the principle of sharing costs on a situation or project of this nature is a very, very practical one.

I think anyone with any municipal experience—and I am sure the hon. leader of the Opposition with all his experience when he was a member of the government—knows that it is not a good principle to hand any other jurisdiction a blank cheque. It has always been a good principle in government that if we are going to give someone some money to spend, that we make certain they have an investment of their own in that expenditure so that they will deal wisely with someone else's money.

I repeat, it is the job of the Opposition in its function to oppose, but I do not think they should hamper this plan by giving the excuse to some municipal politicians to avoid any initiative to help make it work, or also to give some an excuse not to take the work, because some people in reading the remarks made in criticism of this plan—some people who are not interested in doing a day's work for a day's pay—will take some sort of moral support from the idea that it is not a good plan, and therefore they need not give it any attention at all and need not concern themselves about doing a day's work.

In respect of this, there has been some suggestion that we hand this money out as direct relief—and incidentally, some of these suggestions have been made by one or two socialists—and not bother to make people work. Of course, this is the philosophy which eventually destroys the moral fabric of the people. And if I may be privileged at this time, Mr. Speaker, I would like to quote—

Mr. T. D. Thomas (Oshawa): Mr. Speaker, I wonder if the hon. member would permit a question?

Mr. Grossman: Yes, certainly.

Mr. Thomas: The hon. member made a very sweeping statement. It is in the form of a generalization. I wonder if he could give particular instances of that?

Mr. Grossman: Of socialists?

Mr. Thomas: Yes.

Mr. Grossman: Well, as a matter of fact, Mr. Speaker, I could and if pressed I will.

Mr. Thomas: Why does the hon. member not do so?

Mr. Grossman: Well, the only reason is that the man who made this statement, the one I have in mind at the moment, is a very good friend of mine and I have a high regard for him, and I do not like engaging in personalities. But if the hon. member insists I will tell him.

Mr. Thomas: Why repeat it then?

Mr. Grossman: I think I am privileged to repeat it—

Mr. Thomas: No, the hon. member is not—

Mr. Grossman: —if I point it out as being part of the philosophy of the CCF?

Mr. Thomas: That is not a philosophy.

Mr. Grossman: The gentleman in question was a member of the CCF party, who is a member of the city council of Toronto, and it is in the records, it is in the newspaper reports of a meeting of the city council. He did not want it to be used for a works programme, he said "give it to them in direct relief."

Mr. Thomas: I will check on that.

Mr. Grossman: Now, I wish the hon. member for York South were here because I know he is a great reader and a great philosopher, and I would like to read something from a philosopher for whom I think he has the highest regard. It concerns this business of giving people something for nothing, and laying out a programme, a planned programme for their whole lives from the cradle to the grave. This is an extract from the *Condition of Man* by Lewis Mumford, a very able writer and philosopher. I think everyone will agree. Amongst other things he states:

As with other organisms man is subject to arrests, fixations, lapses into inertness. In the desire to avoid physical danger he

may imitate the errors of the armoured reptiles. In trying to achieve a stable social order he may be tempted to imitate the ants which have achieved complete social harmony at the price of going no farther in their development.

In his desire for an easy physical life he may resort to parasitism, and in his effort to overcome pain he may deliberately choose insensibility which is a living death.

All these temptations are vices because they are denials of the essential nature of the living organism; denials of its capacity for variation, in which it differs from insensate matter; its capacity for experimental life play, seeking a fuller mastery of its circumstances and its very self; and finally its capacity for insurgence, its unwillingness to take things lying down.

Variation, experiment, and insurgence are all of them attributes of freedom; and though all organisms seem to make a bid for freedom, it is man who has strained hardest to achieve it and to keep it as an essential attribute of at least some part of his society.

Now again, Mr. Speaker, I wish the hon. member for York South were here because I would like to take him to task for his constant disparaging remarks about back-benchers. I wanted to remind him that two-thirds of his party in this House are back-benchers, and as a matter of fact, the hon. member for York South is only a front-bencher by the good graces of the hon. Prime Minister, who had the courtesy to put him in the position of a front-bencher even though he is leading only a party of 3 here.

As a matter of fact, any one of the back-benchers in this House, by the mere process of getting 3 or 4 hon. members together, could say: "We will call ourselves the X-Y-Z party, and one of us will be the leader and we will be in the front benches."

Mr. Thomas: Is this brought on because the hon. member is a back-bencher? Would he like to be a front-bencher?

Mr. Grossman: I would like to be a front-bencher, of course, but what I do not like are disparaging remarks. I think the CCF has some good hon. members in the back benches—or hon. member, I should say.

Mr. Thomas: I agree the hon. member for St. Andrew is very ambitious.

Mr. Grossman: I would have liked to quote for the benefit of the hon. member for York South, an old Chinese proverb. It

refers to, someone who thinks he is big because he has not much of a field in which to operate. It runs something like this:

When there are no fish in the pond,
Even a shrimp is great.

Now, if I were an hon. member of a party of 3, it is quite possible I could be in the front benches.

Mr. Speaker, at this time I think I would like to make some reference to some of the remarks made by the hon. member for Oxford (Mr. Innes). He made a statement which was meant to be very startling. I think he said that this government has increased the debt of this province to the extent where it is now increasing at the rate of \$12,000 per hour every day. Am I correct in that?

Well now, that could scare the dickens out of a fellow who is working for \$50 a week. He would read the paper and say: "\$12,000 every hour of the day. Those fellows are breaking me." It depends on how one looks at it.

If we want to take into consideration that there are 6 million people in this province, the debt is rising, according to the figures of the hon. member, at the rate of less than one-fifth of a cent per person per hour or about a little less than 4.5 cents a day. I do not think that is anything for the average citizen and taxpayer to concern himself about.

Mr. Innes: May I ask a question? Would the hon. member think it right that we give every baby, who is born in the province, a nice little debt, and hand it to him on a plate? Is the hon. member happy because he can give that baby a little debt, and thus think that it is going to alleviate the hon. member's situation and clear him?

Mr. Grossman: Well, Mr. Speaker, I think the answer is fairly obvious. I do not intend to pay for everything for my children and grandchildren and great-grandchildren. I will pay my share and I expect they shall pay their share.

The hon. member knows perfectly well that is the principle of financing today, because we would never get any projects completed if we planned on paying for them out of current revenue. We would still be living in the dark ages.

Mr. Oliver: Then the hon. member disagrees with the hon. member for Riverdale (Mr. Macaulay)?

Mr. Grossman: I disagree that no debt should be handed on to posterity. Of course I do, that is logical. I have a house and I have a mortgage on the house and like most people I do not intend to pay that mortgage off. I pay so much into that house and I say to my children, "You want to take that house over later. I have given you a good equity in it, now you can pay some of that off yourself." There is nothing wrong with that at all. They will pay their share.

Mr. Oliver: As long as they pay it off.

Mr. Grossman: Well, of course, Mr. Speaker, we agree that the debt should not be overbearing or overburdening, we agree that it should be within a reasonable level.

I did not intend to quote this, but now that the question has arisen, I will quote from an organ which is hardly considered a Conservative one. The Toronto *Daily Star* of last Thursday, in speaking of the "Frost" house-keeping and the shadow of the slump, starts right off:

Back in his old role of Provincial Treasurer, Prime Minister Frost yesterday delivered to the Ontario Legislature his house-keeping accounts for the fiscal year which began last April 1 and ends on March 31. The accounts and the forecast look, on the whole, pretty good.

I would like to make mention of another matter which has concerned me, and that is the necessity for public men to watch their language, in making references to personalities. It is good, I repeat again, to have a forceful Opposition, but it is not necessary to engage in character assassinations. There is a smug feeling on the part of some people, particularly again I refer to the hon. members of the CCF, they have a perfect answer for a perfect world, and also that everyone is a thief who makes a profit.

I suppose they exempt from that those CCF lawyers who charge fat fees for representing labour in certain instances. They take the attitude that no one cares about the little man except the socialists.

Mr. Thomas: Why does the hon. member not say those things outside?

Mr. Grossman: There is a constant appeal to class warfare.

Mr. Thomas: Why does the hon. member not say those things outside?

Mr. Grossman: What is that? Say what things?

Mr. Thomas: About these lawyers thieving and stealing.

Mr. Grossman: Now, now. Mr. Speaker—

Mr. Thomas: About CCF lawyers taking fat fees.

Mr. Grossman: Now I certainly am not going to engage in what I am just disparaging. This is one remark I made verbatim from my notes, and I said: "They have the smug feeling that they have the perfect answer for a perfect world. Everyone is a thief who makes a profit—"

Mr. Gisborn: That is the hon. member's statement. That is not the CCF statement.

Mr. Grossman: "—except the CCF lawyers who may charge fat fees for representing labour." As a matter of fact, I say the CCF have even excused them from this general charge.

Mr. Thomas: I never said that they were thieves.

Mr. Grossman: Certainly they are not thieves, of course they are not thieves merely because they make a profit or charge fees whether they are fat or slim.

Mr. Gisborn: The hon. member suggested that.

Mr. Grossman: I am deprecating the constant appeal to class warfare. Now am I wrong? I read from Friday's *Daily Star*, of February 21, a week ago Friday:

SAYS BUSINESS INTEREST PREVENTS AID FOR JOBLESS

Liberal and Conservative parties have failed to do anything to stop unemployment because "they do not dare offend their friends" so-and-so CCF nominee for St. Paul's riding said.

I do not like mentioning names in the first place, I do not like giving them free publicity. This woman explained that business interests which support the two main parties with funds would not permit them to undertake constructive measures to end unemployment. What utter rot, what absolute "balderdash". Imagine suggesting that there is anyone, particularly business men who have everything to gain from a thriving economy, who will not let the two parties, Liberal or Conservative, do anything about unemployment.

Talk about self-righteous snobs, Mr. Speaker, who sit there in their smugness and

because they have read the prescribed number of books have decided that they know all the answers! Only they have the milk of human kindness in them, and everyone else is out to step on the little man. That is utter rot.

Mr. Speaker, I will wager that there are more people on this side of the House, and more people in this party, who suffered during the depression, who suffered the pangs of hunger, who worked like the dickens to get wherever they are today and who have a great regard for the necessity to do something for the other man who may be suffering, than there are, generally speaking, in the socialist CCF party.

Because, generally speaking, those people who are spokesmen for the socialist CCF, have learned all they know about life from books. While it is a very good thing to read books, it is very enlightening—

Mr. Thomas: What books does the hon. member read?

Mr. Grossman: —and certainly I would do everything possible to encourage the reading of books—I would not think of telling my children that they are going to learn all about life from those books. I would tell them to read the books, but also tell them to get out in the world and find out what is going on.

Mr. Thomas: Surely the hon. member is not the only one who is working for a living.

Mr. Grossman: I am trying to tell the hon. members opposite that they should not try to give the impression that they are the only people who work for a living or ever worked for a living. That is all I am trying to do. Now I am sure that the hon. member for Oshawa would not agree with his colleague in his party in the statement that she made.

Mr. Thomas: I guess we work just as hard and just as honestly.

Mr. Grossman: I do not doubt that for a moment, but I would not for a moment, Mr. Speaker, tell anyone that the hon. member for Oshawa or for York South, or the hon. member for Wentworth East, have no regard for the unemployed; that they would not let someone do something to help the unemployed. I would not for a moment, and I do not think that anyone should suggest that any political party is not interested in helping the unemployed.

Mr. Gisborn: This government is not doing much for them now.

Mr. Grossman: That is just an appeal to class warfare. Now, the hon. member can disagree with what the government is doing, and it is his privilege to disagree. As a matter of fact, it is his duty to disagree, if he thinks they are not doing the right thing, but I deprecate this sort of statement: "All this will do will be to undermine the people's faith in the democratic system." I suggest to the hon. members that they themselves will suffer—

Mr. Thomas: The hon member is talking a lot of nonsense.

Mr. Grossman: Mr. Speaker, speaking of personal attacks, one of the hon. members—for Essex North, I think it was—made reference to the chairman of the Toronto metropolitan council the other day, and stated: "That man—he is the man who calls himself Supermayor."

Well, I took the hon. member to task on that occasion, and I pointed out that Mr. Gardiner never referred to himself as the Supermayor. I am sure that it is not his fault that people refer to him as such.

Another statement was made, something to the effect that he, Mr. Gardiner, said: "Officers should be well armed and start shooting people all over the place." Now, this is a sort of statement which, I repeat again, undermines the faith of the people in their public officials. He, Mr. Gardiner, of course, never said any such thing, and I repeat, it is anyone's right to disagree with any position this man takes, or any statements he has made. I have done it often enough. But we should not make personal attacks, and we should not put words in anyone's mouth, because, like many here, Mr. Gardiner is a wonderful public servant, serving at great sacrifice to himself.

Now again, Mr. Speaker, with the House's indulgence, I am going to quote from the *Toronto Globe and Mail*, of February 27, last Thursday. In the article, Ronald Haggart is speaking of Mr. Gardiner:

As the hands of the clock on the tall green wall of the metro-council chamber slanted at a minute or so past 11, on Tuesday night, they were haggling over whether to continue beyond their automatic adjournment time.

"We are adjourned right now," Ford Brand cut in. Metro-chairman Gardiner plumped back heavily in his big chair. "Okay", he said, "We are adjourned."

"No, no!" said Mr. Brand, "I did not mean it that way."

I will miss one or two lines here, as they are not pertinent Mr. Speaker. Further on—

Few of them around that big horseshoe of desks knew of the pain that throbbed in Mr. Gardiner's legs, or the deadening drugs he had taken to keep going. Only a few of them knew that his doctor had ordered him to bed for the rest of the week, that he faced the prospect of an uncertain operation.

Mr. Gardiner is constantly lecturing to 24 men and women who are the councillors of Metropolitan Toronto, that when the time comes to make decisions, they must face it squarely, and make the decisions. They were stumbling through the first of the subway decisions this night, and Mr. Gardiner kept their noses pressed to it. It was after 1.30 a.m. when he was able to walk slowly from the metro building, from Adelaide Street, leaning heavily on a cane, and lift his painful legs to the polished footrest on the back seat of the municipal Cadillac. A small swelling was pressing on the nerve, his face was ashen, and he hardly spoke all the way home to Forest Hill. "He was," a friend said later, "a man completely and utterly spent."

I will miss some of this, Mr. Speaker, I do not think it is pertinent either.

One councillor fell over himself trying to withdraw a motion he had made. After that remark from Mr. Gardiner, it would have failed anyway. Such is the feeling of Mr. Gardiner's indispensability.

Mr. Gardiner had little to say during the long day and night, but he was determined to keep them at their job. At one point they were involved in ludicrous hassle over procedure. How to take a vote on whether a question should now be put on the motion to refer back to the executive its recommendation that Metro seek permissive legislation from the province to make capital grants to the TTC. It has become as tangled as it sounds. Alderman Donald Somerville slipped over to Mr. Gardiner's side and whispered "For God's sake, bail them out." "Oh, leave it alone," Mr. Gardiner said, hoarsely, "I am still awake."

Mr. Speaker, I am not a hero worshipper. I am anything but. Some people think I am a little too cynical. What I am trying to point out is, that here is a man, like many other men in public life, who has sacrificed a great deal to do a good job. He works at it 24 hours a day, and I do not think an hon. mem-

ber should poke fun at him from a personal point of view.

As I say, "disagree with him if you must but do not malign a man personally, particularly when this man has made a great sacrifice to give public service." I repeat again, and it is worth repeating, "let us not destroy people's faith in their public men," because if we do, we will have no good public men to do a job for us.

Now, Mr. Speaker, there has been some indication that the sputniks have caused the desire, on the part of many people, to want the governments to go all out to develop a so-called "scientific élite," a sort of nation of technicians. I am afraid, Mr. Speaker, that there will be a great danger of neglecting the humanities or the social relationships and that there will be some desire—there probably is, on the part of many—that we engage in this type of educational system, so that in the final analysis we will become a nation of robots.

I do not think that we should ape Russia, and become totalitarian to stay up with the totalitarians, otherwise we may as well save ourselves the trouble and give the country to the Communists.

Now, there has been some talk that we do not respect our teachers in the western world; we do not respect our teachers here; we do not respect our intellectuals. I do not know where people get that impression. I have never had occasion to experience any lack of respect for our teachers or our intellectuals. But when such people talk about respect there is a suggestion; in fact, it has been stated in so many words, that the Russians—that the Communists—respect their intellectuals, and their teachers.

It is a lot of nonsense, Mr. Speaker. They do no such thing. May I read from an article in a local Czechoslovak newspaper called *Nase Hlasy*, "Our Voices." It is an article written by George Skvor, a former deputy member of Parliament of the Czechoslovakian government.

Amongst other things, he is speaking of the educational system in Czechoslovakia under the Communist regime. He states:

Soon after the Communist *coup d'état* the following instructions were enforced, reflecting the pattern of the Soviet educational system:

1. In all schools, priority must be given to party influences, political and ideological teachings.

2. All schools must support the so-called "socialist" [i.e., Communist] reconstruction of the state.

3. All education curricula and extra curricula must be performed in accordance with Soviet pattern.

4. Priority—in many cases exclusively—in registration is given to children with proletarian background, mainly to children of party members.

Among others, the principles of the Communist educational system are: The uncritical admiration of the Soviet Union; inciting hatred towards the western world, or at least its ridicule; the elimination of the pre-war democratic tradition in the educational system; elevation of the importance of the working class, and of a technical education at the expense of humanities; inciting hatred towards religion and family; against traditional patriotism and national pride, which the Communists supplement by working-class internationalism and so on.

Farther down, and this bears putting on the record I think, Mr. Speaker, it states:

According to the Soviet manner, Czechoslovak writers [this is as far as intellectuals are concerned] enjoy material privileges and rights, denied to members of other social classes. In return for this, the Communist regime demands from them the absolute surrender of their creative freedom and individuality. A number of Czechoslovak writers and other artists were still in prison. Those who do not subordinate to the Stalin-Zhdanov restrictions of personal and creative freedom were silenced by various means, their literary works not published, they were or still are imprisoned, persecuted and socially restricted.

The Communist party "prescribes" not only WHAT but HOW to write, in answer to the spirit of the working class. Thus in practice, not only the literary theme is chosen, mainly working conditions, in factories, and farm collectives, but the Communist party also assigns the manner in which the literary material is to be presented in the spirit of social realism, as defined by dialectic materialism.

Mr. Speaker, anyone who tries to make the point that the Communists are respecting their intellectuals and teachers, needs to learn a lot more about what is going on in the educational system of the Communists.

Of course, that is not to gainsay the fact that there is a greater need for greater stress on some aspects of our educational system,

but let us not go overboard. There may be a greater need for making certain that those who have an aptitude for engineering are given more encouragement. Perhaps we need more engineers, and to that extent the governments should do what they can to encourage more into these classes.

But I think we are helping the Communists in their propaganda when they are able to repeat all over the world the remarks of people who should know better, that we in the western world do not respect our intellectuals and teachers, as they do.

Mr. Speaker, many hon. members of this House have engaged to some extent in the federal election campaign. Now, in the first place, I do not believe that, as a general policy, the hon. members of this provincial or any provincial Legislature should engage in a federal election campaign.

However, there is no doubt that what caused the interest of the hon. members of this Legislature in a federal election before last June was the lack of concern of the former government regarding the plight of the provinces and the municipalities. There is very little doubt about that.

Now, this was part and parcel of the general arrogance of the party which had been in power so long. They showed their arrogance in their lack of regard for the problems of the municipalities and the provinces. They showed their arrogance in their contempt for the rights of Parliament: for example, when the Speaker was forced to bow to government Ministers; for their actions in closure; and also for their contempt for the rights of private members.

I have spoken to some of the gentlemen who were members of the Liberal party in the former government, and they have told me some great stories about how little attention or respect they were given by their own government.

Now am I wrong, or are we wrong, when we say the federal Liberal government was arrogant? Well, I am sure no one will say we were wrong, because they are convicted by their own words.

Here, at a meeting on February 12, a couple of weeks ago, one of the Liberal nominees, a candidate for election who was defeated at the previous election, stated that his party had "ceased to be Liberal before its defeat in the June election last year. The Canadian people threw us out on our collective ears." He told this to about 300 persons attending the nominating convention.

Then there was another prominent Liberal, who said during his address: "We thought we

were so good, prior to the election defeat, that the people of Canada thought it was time the Liberals learned a lesson." Now let hon. members think of the arrogance involved in even that statement.

They say: "Yes, we were arrogant, and you citizens thought it was time we were taught a lesson, but you did not really mean to throw us out of office for so long. All you meant to do was give us a little slap on the wrist and say—now, naughty, naughty—and put us back into power again."

In other words, it is only 7 months and the idea is that they are telling the public that "we are sorry, we were arrogant, we were rude, we were inconsiderate, but we have been out of office 7 months and we were only in for 22 years before that. Now you should put us back, we have learned our lesson."

Utterly ridiculous, and incidentally, there could be some people say: "Now wait a minute, after all, in your Ontario Legislature, you have a government with an overwhelming majority."

Well, contrast the actions of this government with the way the Liberal government was conducting itself.

In spite of the fact that we have a large majority here, the government—and particularly the hon. Prime Minister—has always insisted that any time any hon. member of the Opposition wants a bill held up for further consideration, he has never refused to comply. Not once since I have been here. I have seen bills go back to the committee after we thought they had been finally decided on by the committee. Numerous times. All the bills go to the committee. Any time an hon. member of the Opposition has asked for anything of this nature to be done, the hon. Prime Minister has always done it.

I also have seen you, Mr. Speaker, rule against hon. members of the government here. I watched you, last year, call the hon. Prime Minister out of order, a thing that was unheard of prior to June 10 in the federal House.

As a matter of fact, since then, the Speaker appointed by the Diefenbaker government ruled the government out of order a number of times, ruled the Rt. hon. Prime Minister out of order, ruled hon. members of the cabinet out of order and, as a matter of fact, a private hon. member, as a chairman of the committee of the whole, ruled the government out of order. This is democracy in action.

Most important of all is this. While I was very happy, of course, to see the Conservative

party get elected on June 10, more important—believe me, sir, more important than that—was that it reaffirmed my faith in human nature, in the democratic system, because prior to that we were all concerned with the apathy of the elector. We said: "So long as conditions are good, so long as there is a thriving economy, the people will never vote against a government." But they did, Mr. Speaker.

To all of their credit, they said, finally, "we have had enough and out you go" and this is a very, very good thing.

Incidentally, too, this was one of the mistakes, one of the few great mistakes I can find that the Ontario Liberal party made. They became apologists for the federal party, and the federal party gave them absolutely no support at all. They considered them, at all times, as "small potatoes." The federal Liberal party always considered that the Ontario Liberals were not worth 10 minutes of their time.

Speaking of that, this was quite in line with their treatment—their contemptible treatment, Mr. Speaker—of the former Rt. hon. Prime Minister (Mr. St. Laurent). I think it was disgraceful the way they shoved him into the shadows. I watched the proceedings of the Liberal convention that night on television, and it was shameful how they pushed him into the background—those wise, bright boys that he brought from obscurity into the cabinet treated him shabbily.

Rt. hon. Mr. St. Laurent is a great Canadian, and while many of us disapproved of his policies quite often, he is still a great Canadian who has done a great service for the people of Canada.

Again, if I may, let me contrast this with the way the Conservatives do these things. We have always highly honoured all of our leaders. Rt. hon. Arthur Meighen is always an honoured person and statesman in our party. The late Mr. Manion, while he was alive, even after he was defeated, was always a great man to us. May I refer to Mr. Bracken and Mr. Drew.

Mr. Speaker, I have been in this party since I was 16 years old, and I have attended every convention of this party. All of our leaders, with the exception of Mr. Meighen, who held office only a short period of time, all of them led us to defeat but they were still highly honoured, Mr. Speaker.

Mr. Gisborn: The Conservatives are not doing much for them now.

Mr. Oliver: Mr. Speaker, may I remind my hon. friend that so far as Mr. Manion was

concerned, he was almost starving to death when he was picked up by the Liberal government and given a job at Ottawa.

The Conservatives certainly did not look after him, I will tell the hon. member that.

Mr. Grossman: Now, Mr. Speaker, we are not talking about monetary recognition in the first place. I do not know enough about that, I cannot remember that. But in the first place, the hon. leader of the Opposition is speaking about looking after them financially or something of that nature. I was not referring to that at all. It may be that the fortunes of our party were so dark; it may be the people who were in charge of party fortunes were not able to do anything for him. I do not know that. I am not talking about monetary reward or anything of that nature.

We have always given them respect. I notice every session here, we have the former Prime Minister, hon. George S. Henry, a great Canadian, always honoured by our party, always honoured by our leader, and this is what the bright boys of the Liberal party in Ottawa have yet to learn.

I would like to see the Rt. hon. Prime Minister of Canada offer Rt. hon. Mr. St. Laurent some great honoured position, whether it be the Governor-Generalship or a high ambassadorial post or a High Commissionership; anything that the Rt. hon. Mr. St. Laurent would care to accept. I do not know that he would; he may feel that he is deserving of a rest. I do not know. But it would be a fine gesture on the part of the Rt. hon. Prime Minister of Canada, and certainly worthy of the former Rt. hon. Prime Minister of this country, and if he will accept it, I think that he should be honoured that way.

As a matter of fact, in spite of the fact that the senate is overwhelmingly Liberal, if Rt. hon. Mr. St. Laurent were prepared to accept a senatorship, I would like to see the Rt. hon. Prime Minister offer him that, and I am sure that he would get the support of every member of the Conservative party.

Now I want to close on another matter which concerns me a great deal, and that is that the fear, my fear, that the unemployment situation might tend to prejudice people against, not only future immigrants, but immigrants recently arrived. It is human nature for people to seek a scapegoat. That has been one of the problems in life from the very first day of recorded history—that when people are in difficulty, they never go to a mirror and say: "It is my fault."

They never—I think the story went something like this—when a man saw one of his good friends with whom he had been brought up all his life, doing very well, and saw him driving away in his Cadillac, and he was not doing so well, this was one of the few people in the world who was ever fair with himself and honest. He said, “There but for the grace of me, go I.”

Now generally speaking, people are not like that. They look for a scapegoat. Now that is what I am a little concerned with, that people, during a period of unemployment, may be trying to blame the immigrants.

Now, I am quoting rather copiously from the *Toronto Daily Star*, Mr. Speaker, because I am a little concerned that, if I quote from any other newspaper, I may be charged with quoting only papers which agree with my outlook. Here is what the *Star* had to say a week ago Friday about immigrants, and I think I would like to put this on the record because it bears repeating. It seems to be elementary—it seems to me to be fundamental and basic—but sometimes these elementary things bear repeating. The *Star* states as follows:

Immigration in Canada has virtually been cut off since last summer. This is a natural reaction. If people already here are out of jobs, why in the name of common sense encourage more people to immigrate? As a temporary measure it is sensible to put the brakes on immigration at such times as the present. Unfortunately the new disposition against immigration becomes a prejudice, even hostility to immigrants who have already come.

Now despite any short term views, on the whole and over the long haul, large immigration is not only healthy for Canada, it has been, and continues to be, essential for her development and welfare, and while the large number of people who came in the first half of last year may now seem, to some Canadians, a hazard and a pain to the economy, there are very good reasons to be thankful for them.

It is hard to believe, when times are hard, that both the 282,164 immigrants who entered Canada last year, and the people whose life they came to share, are advantaged by that stream of newcomers, the largest immigration year since 1913. But these new people really are an asset of estimable value. Consider what they bring with them.

First, **MANPOWER**: not in demand now but it will be again.

CAPITAL: in 1956, for instance, immigrants brought in \$100 million in cash and \$32 million in settlers' effects.

SKILLS AND INGENUITY: They start new kinds of business and industry creating new employment opportunities and adding to the country's productivity.

If I were ever going to take the hon. members on a descriptive tour of my riding, I would like to take them up Spadina Ave. and Bloor St. and College St. and Bathurst St. and Queen St., and there they would see the ingenuity of the immigrant. Hundreds of them, hundreds of them, barely off the planes, off the boats, off the trains, here one year or two years, are building up from little businesses—from scratch—a good living for themselves and creating a thriving merchandising area in the whole of my riding. Now look at the editorial:

NEW MARKETS: the less dependent on foreign trade Canada becomes, the better the country's economic fluctuations can be managed. Immigrants increase the domestic market for manufactured and agricultural produce. They spend on houses, food, clothing, equipment, cars and they pay taxes.

TALENTS: the newcomers increase the variety, colour, and yes, the quality of Canadian life in every town, city and parish they touch. They have intellectual gifts which they bring to the new country.

Take this one instance. In the period 1951 to 1956, a total of 3,318 immigrants with one or more university degrees and professional qualifications in science and technology came to this country. (The figure does not include doctors of medicine or persons of special qualifications in the liberal arts, law and the like.) In this one field alone—science and engineering—the newcomers have come to play an important part in Canada's development.

Prejudice against immigrants is narrow, harmful and deplorable. They create jobs, not grab them. The prejudice is understandable in a native Canadian now unemployed. But if sensible, adequate, unemployment insurance were adopted in this country, as this newspaper outlined last Saturday, to cover everybody, there would be an end to back-biting and rancour.

Mr. Speaker, I know the immigrant and I understand the immigrant. While I am not an immigrant myself, I come from immigrant parents. I have lived with immigrants most of my life and my riding is probably

one of the most cosmopolitan in all of Canada.

As an example, we have in my riding, Ogden school, Ryerson school and King Edward school, and I think each one of these schools can lay claim to having pupils who originate from more countries than any other school in the United States or Canada. Each one of them, I believe, has over 20 countries represented.

Those young children will grow up to be a great asset if not made to feel like foreigners. I regret the use of the term "new Canadian," I regret to have to use it, but it is necessary to define the point I was making. The sooner even that terminology is forgotten, the better. They are all Canadians, and may I close with this, Mr. Speaker:

Immigration sometimes must be handled with the heart and sometimes with the head, but most of the time, with both.

Mr. H. J. Price (St. David): Mr. Speaker, I have rather a lengthy address, and if it is

your wish to carry on, I would be glad to do so, otherwise I can wait until later.

Mr. Speaker: I would suggest that you move the adjournment of the debate.

Mr. Price moves the adjournment of the debate.

Motion agreed to.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before moving the adjournment of the House, I would say that as I think my hon. friend knows, it is intended to go on tomorrow with the budget debate and the hon. member for Waterloo North (Mr. Wintermeyer) is the first speaker in that debate.

Hon. Mr. Roberts moves the adjournment of the House.

Motion agreed to.

The House was adjourned at 5.50 of the clock, p.m.



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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, MARCH 4, 1958

3 O'CLOCK P.M. THE HOMES FOR THE AGED ACT, 1955

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Clerk of the House: Mr. J. A. Maloney, from the standing committee on private bills, presents the committee's fourth report and moves its adoption.

Your committee begs to report the following bills without amendment:

Bill No. 9, An Act respecting the city of Chatham.

Bill No. 11, An Act respecting the village of Port Perry.

Bill No. 13, An Act respecting the village of West Lorne.

Bill No. 32, An Act respecting the board of education for the city of Sault Ste. Marie.

Bill No. 35, An Act respecting the town of Fort Frances.

Bill No. 40, An Act respecting the city of Fort William.

Your committee also begs to report the following bills with certain amendments:

Bill No. 1, An Act respecting Windsor Jewish communal projects.

Bill No. 22, An Act respecting the city of Windsor.

Motion agreed to.

Clerk of the House: Mr. W. E. Johnston (Carleton), from the standing committee on agriculture, presents the committee's first report and moves its adoption.

Your committee begs to report the following bill without amendment:

Bill No. 98, An Act to amend The Stallions Act.

Motion agreed to.

Mr. Speaker: Introduction of bills.

Hon. L. P. Cecile moves first reading of bill intituled, "An Act to amend The Homes for the Aged Act, 1955."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in section 1, two changes are made. First, the population requirement is reduced from 25,000 to 15,000. Second, the right to establish a home or joint home is extended to any municipality that has the required population.

Section 3, subsection 1: a new method for the payment of a provincial subsidy for the operating and maintenance cost of homes is provided. Instead of making the payments annually to the municipality, they will be paid monthly to the homes.

In subsection 2, this new provision will enable two homes for the aged to be established in one territorial district, each one serving the part for which it is established.

THE MINING TAX ACT

Hon. J. W. Spooner moves first reading of bill intituled, "An Act to amend The Mining Tax Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in explanation of this bill, under the present Act the profits tax on a mine is based upon the annual profit of a mine in a calendar year and accrued at the end of each calendar year, and is payable for each year on or before March 15 of the following year.

Also under the present Act, the tax on natural gas producers is on a calendar year basis and is payable on October 1, following the production year. This bill changes the basis of the mine's profit tax by substituting a fiscal year basis for a calendar year basis. It also extends the time for filing returns and changes the time for payment of the estimated mine's profit tax and the natural gas producers tax.

These changes will lessen the amount of work involved, not only in the administration of the Act by The Department of Mines, but also in the compliance with the Act by mining companies and natural gas producers concerned.

Other sections of the bill, Mr. Speaker, are complementary to the changes in the basis of taxation from a calendar year to a fiscal year. The bill will, of course, be presented before the mining committee for their study and approval.

THE MINING ACT

Hon. Mr. Spooner moves first reading of bill intituled, "An Act to amend The Mining Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in explanation of the suggester amendments, most of these amendments are for clarification purposes and to clear up some ambiguity between some sections of the Act.

One amendment confirms the practice in most recording offices whereby the holder on record of an option may group claims for assessment work. Another amendment empowers the mining commissioner to use his discretion concerning the granting of extensions in very extenuating circumstances, and these extensions may be permitted not only for assessment work, but also for time for applying for patent.

Another provision, section 7, is made so that licences of occupation and leases may be dealt with by the department in the same manner as patented lands. The provision also is in this bill, rather an important one, where a severance of mineral and surface rights is created by a public utility acquiring the surface rights. The Minister may exempt the mining rights from tax where he is satisfied that the lands are not being held or used for mining purposes.

Another section deals with documents which include sketches. Those are copies of documents required by certain persons or firms, and they charge for these documents on a folio basis. We are suggesting an amendment to that. That is about the extent of the important amendments proposed by this bill, and this bill also will be sent to the mining committee.

THE MILK INDUSTRY ACT, 1957

Hon. W. A. Goodfellow moves first reading of bill intituled, "An Act to amend The Milk Industry Act, 1957."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, as the hon. members of the House are aware, last year, 1957, we had a complete rewrite of The Milk

Industry Act which included many new amendments with many changes in policy.

These are minor amendments which I am introducing at the present time. They might be classified more or less as refinements insofar as they are designed to correct some of the shortcomings which were found in The Milk Industry Act of last year through a year's experience in its administration.

The change puts the milk industry board of Ontario in a position to arbitrate a matter in dispute whether arising from the failure of negotiating committees to reach agreement, or out of an agreement made.

The words added are for the purpose of enabling, in the case of a marketing plan for cheese, the inspector to inspect farms from which the milk for manufacture into cheese is produced. The amendment in another section empowers negotiating committees to determine the commitments under which a new producer may make an agreement with the distributor for the supply of fluid milk.

Amendments here require every agreement between producer and distributor to be filed with the board and, when applied for, to come into force automatically, and prohibit the filing of an agreement, the operation of which is conditional.

The new provision requires the declaration by the board before the agreement takes effect.

The last change in this section is to insure that the amendment in section 4 of this bill is not construed to invalidate existing agreements.

THE FARM PRODUCTS MARKETING ACT

Hon. Mr. Goodfellow moves first reading of bill intituled, "An Act to amend The Farm Products Marketing Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in some respects these amendments are comparable to those found in the bill which I have just introduced. The first section is to include pulpwood as a farm product. Until now, pulpwood has never been regarded as a farm product, and we feel that it is important for the so-called pulpwood farmers in northern Ontario to be able to negotiate a price with the companies in respect to their sale of their product.

Another section is rewritten for the purpose of improving the procedures for establishing plans, and for the revocation or

amendment, and then there is the amendment to insure the amendments relating to the establishment of plans similar to The Milk Industry Act may not be construed as invalidating plans established under form of provision.

STORAGE OF FARM PRODUCTS IN GRAIN ELEVATORS

Hon. Mr. Goodfellow moves first reading of bill intituled, "An Act to regulate the storage of farm products in grain elevators."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this is a new bill. The purpose of the bill is to protect the proprietary interest of farmers in farm produce that is delivered to an elevator for future sale, and is mixed with other produce owned by the elevator operator or other persons. The bill clarifies the time at which title passes, regulates the accounting for stored produce, provides safeguard for farmers against bankruptcy, dishonesty and destruction, and provides for inspection to enforce the requirements.

THE HIGHWAY TRAFFIC ACT

Hon. J. N. Allan moves first reading of bill intituled, "An Act to amend The Highway Traffic Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in view of the great number of amendments to The Highway Traffic Act this year, I feel it might be better to have the bill printed before I go into any detailed explanation of the various amendments.

I might mention that, among those which are most important, is one which would require the charging of a driver of a car rather than the owner. This is a complete change in practice, and it really establishes the first step in a driver control programme, which makes possible a demerit system, or what is commonly known as a point system.

As will be realized by all hon. members, it is necessary to know definitely the person who is driving the car, if an accurate record of the driver is to be maintained. It is intended that such a record will be maintained of all drivers of motor vehicles in the province. It is the feeling of the department that it will be an exceedingly helpful step in encouraging or influencing the drivers of motor vehicles to become good drivers of their own free will.

There is also legislation having to do with The Unsatisfied Judgment Act, whereby the department will handle the details in connection with the paying out of the money, after the judgment has been obtained, rather than to proceed as has been done, and have that handled by the courts. In case of a dispute or misunderstanding it may still go to the courts. It is felt that this will speed up very greatly the settling of the claim.

There is a limitation of the height of loads to be permitted, on the highway, of 13 feet, 6 inches, and a great many other amendments which I would be glad to explain at the time of second reading. I should add that these amendments will go to the highway safety committee.

THE PUBLIC SERVICE ACT

Hon. G. H. Dunbar moves first reading of bill intituled, "An Act to amend The Public Service Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this is in case The Public Service Act is ever changed. As it stands today, the civil servants are retired at the age of 65 or 70. Their services might be required for certain purposes, at a later date, or perhaps to continue at the time. The amendment makes this possible without affecting their superannuation. They could start on their superannuation and be engaged at any salary that his Honour the Lieutenant-Governor would agree upon.

Prior to this, it was almost impossible to have an expert, a civil servant with considerable experience, to return for a month or two or whatever time was required. It worked out that they would have to give up their superannuation, and work for 30 per cent. of what they had been receiving, because their superannuation would be 70 per cent. of their salary. As amended, the Act insures that, if they return to work at any time, it does not affect their superannuation, and they do not have to contribute any more to it.

THE MUNICIPAL ACT

Hon. W. K. Warrender moves first reading of bill intituled, "An Act to amend The Municipal Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, there are quite a few amendments here, and I was just going to mention a few of the more significant ones. This bill will be going to the municipal law

committee, and it will be discussed there, and on the second reading an explanation will be given of each of these in detail.

To mention just a few: The taking of a vote of electors; receipt of a petition for annexation; publication of notice of nomination meetings at a municipal election; provision for a member of council to act in the place of the head of council whenever he is absent, ill, or the office is vacant.

Amendments include the right to inspect municipal records; granting of power to local municipalities, with the consent of the county council, to appoint the county assessor, as the local assessor or assessment commissioner; control of the expenditure of money paid to a municipality by subdividers; the prohibition of parking motor vehicles on private property without the consent of the owner or the occupant of the property, and so on. Then in addition there are many procedural matters which will go to make that bill as large as it is.

Mr. J. J. Wintermeyer (Waterloo North): May I ask the hon. Minister if there were any amendments to the business tax provisions of The Municipal Act?

Hon. Mr. Warrender: An amendment will be coming along in another bill.

Mr. Speaker: Orders of the day.

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, before the orders of the day, I should like to say a few words by way of clarification concerning the assessment situation in the Metropolitan Toronto area.

Hon. members will recall that when the hon. Prime Minister (Mr. Frost) and the hon. Minister of Education (Mr. Dunlop) made their remarks concerning the grants, an equalization factor schedule was tabled. Now, at that time, there appeared to be certain discrepancies between the assessment, as made by The Department of Municipal Affairs, and the one made by Mr. Gray's department. Mr. Gray is commissioner of assessment for Metropolitan Toronto.

It would appear therefore, to some of the municipalities within Metropolitan Toronto, that some of those municipalities were being taxed at a higher rate than others.

I want to assure you, Mr. Speaker, that such is not the case. In order to find out what actually happened, it should be explained that Mr. Gray and his assessors in the metropolitan area are not assessing according to the assessment manual of 1954, but according to what I call the "Gray" system.

As a result, he is bound to consider factors, and he is bound to give weight to those factors and others which our people would not necessarily do. In assessing as he has done within the Metropolitan Toronto area, I should make it clear that he is doing it for one particular purpose only, and that is for the payment of municipal taxes, or the raising of municipal taxes, within the metropolitan area. That is his prime purpose.

But in The Department of Municipal Affairs, when we are doing our assessing right across the province, and strictly within the 1954 assessment manual, differences do come up, but it does not necessarily follow that, because we are doing that for the purposes of bringing about equity across the province and for the purpose of provincial grants, there is any inequity necessarily within the metropolitan area.

I hope this explains the matter sufficiently, but actually I am convinced that, having conferred with certain people, having seen that a certain yardstick is used within the Metropolitan Toronto area for a certain purpose, and on the other hand having known of the yardstick used for the giving of provincial grants across the province, there is equity in both fields, and not necessarily any wrong done to any particular municipality.

Mr. F. R. Oliver (Leader of the Opposition): Before the orders of the day, I would like to get from the hon. Prime Minister, if I can, some indication of the pattern of things to be, in respect to the debate and the estimates that are presently to be presented to the House.

For instance, I would like to know what the government has in mind in respect to the termination of the speech from the Throne debate.

The other particular point I have in mind is that I would urge upon the government that, when estimates are being presented to the House, sufficient notice be given to the Opposition so we can make a proper examination of the particular estimate.

Last year we had the experience of being confronted with estimates from various departments without prior notice. I think all hon. members agree that is not conducive to good business management in the House, and I would urge upon the hon. Prime Minister that, when estimates of a certain department are to come up within a day or so, he inform the House, and let us have ample time to prepare our position in respect to them.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I am very glad to answer that ques-

tion. I may say that I had thought I was always meticulous about letting the hon. members of the House know the particular estimates and order of business. Now, if that became tangled on one or two occasions last year, I can assure my hon. friend that it was not the pattern, nor was it the intention.

On the other hand, I think that his request is entirely proper and entirely logical.

I would say that, concerning the Throne debate, I think it might now be terminated for the reason that the speakers who would be discussing matters in the speech from the Throne can do that equally on the budget debate. Therefore I would hope, within a day or two, perhaps this week, to terminate the Throne debate and get that off the order paper.

It has, and I think my hon. friend will agree, served a useful purpose from the standpoint that, since the introduction of the budget, it has enabled hon. members to speak with the usual scope which goes with the budget and with the Throne debate, and the business of the House has not been held up because we have had the period between Wednesday and today in connection with the budget debate.

I will discuss with the hon. leader of the Opposition a suitable time, so that the government may have the opportunity of getting sufficient votes to assure its continuance in office.

The other point is this. Concerning the order of business, I was going to mention, before the orders of the day, that I would like to proceed tomorrow with the estimates of the hon. Attorney-General (Mr. Roberts) which would include The Department of Insurance. There might possibly be a night session tomorrow night. No, I am sorry, we cannot have a night session tomorrow night—that is the Speaker's dinner. There would be a night session on Thursday, and on Thursday, as I see it now, we could proceed with the estimates of The Department of Labour.

A suggestion has been made by some hon. members, and I leave this for the consideration of the House at the moment, that on Fridays, there should be a session of the Legislature in the morning. Now that is a very considerable change, but nevertheless it has been pointed out by many hon. members that, on Friday mornings, there is seldom vital business, so that we might have a session of the Legislature in the morning. Now that would not apply on this coming Friday, as I see it, but might on the succeeding Friday. I leave that to the hon. members of the House.

I might say today, if it is possible, and on the other hand I do not thrust this point at all, that if it is possible to deal with a supplementary estimate following the speech of the hon. member for Waterloo North (Mr. Wintermeyer), we might dispose of that particular item.

As a matter of fact, the passing of the supplementary estimates will not affect the debate and discussion on The Departments of Education, Health, Highways, Planning and Development, and Treasury. These are specific items which we might get out of the way today, if that is agreeable.

HOSPITAL INSURANCE

Now, while I am addressing the chair, might I take this opportunity of tabling the agreement between the government of Canada and the government of Ontario dated yesterday, together with the regulations under sections 15 and 13 of The Hospital Services Act as amended, which were passed on February 18 and have since been promulgated.

In doing that, may I give this very brief explanation to the House, that we are taking a very advanced and historic step in tabling a copy of the regulations, made in accordance with those sections I have mentioned, The Hospital Services Act as amended, and the agreement between Canada and Ontario providing for federal contributions to the Ontario hospital insurance programme which comes into effect on January 1, 1959. These documents that are tabled are very important; indeed, they are historic documents and an historic agreement. It is the first agreement in Canada, and it provides for a programme that constitutes, beyond doubt, a most notable advance in the field of human betterment.

From the standpoint of its broad implications and benefits it is the most outstanding achievement in the history of public health ever witnessed in this province. The agreement we have concluded will enable us to develop our hospital insurance programme in accordance with the complex and varied conditions in this province.

Inevitably we will encounter problems and difficulties which, at present, cannot be foreseen. The programme will provide hospital insurance for persons living in both urban and rural areas, to members of small as well as large firms, to self-employed persons and to professional and others groups in Ontario.

Experience can be a wise teacher. Thus, we have sought and obtained an agreement which has flexibility and that can be modified as the programme develops.

Under the agreement, the commission will be able to adjust its operation in accordance with changing conditions. I may say that this understanding has been worked out over the last 2 years and 10 months, since April 26, 1955. It is one of the very important points of issue. If we were to enter an agreement which was very rigid in its form, and rigid in its conditions, then it would be very difficult indeed to adjust to the problems which lie ahead of us.

It is within the ambit of the federal Act that we must do business. If we get outside of the area of the federal Act then, of course, we make ourselves ineligible for contributions. Therefore, one of the first conditions that we are met with, is to stay within the circumference, or the ambit, of that Act.

However, subject to that, we have throughout sought to retain our freedom in doing business and implementing the insurance provisions which will be universally available to everyone. We have sought to assure ourselves of freedom and flexibility on that point, and I would say that this agreement enables us to do so.

In achieving this, we have assisted other provinces to arrive at similar agreements. Their conditions are different from ours. The problems they have to meet are different from ours. Still, the Act or agreement is flexible enough that, within the ambit of the federal Act, they can arrive at agreements or make arrangements that are in line with their problems and the conditions they have to meet.

Of course, no one could stand here and say that all of the problems to be met have been anticipated, because they have not. But I will give an illustration of the agreement's flexibility in the enumeration of the hospitals in Appendix A of the Act. This list indicates the type of approved hospital, but, of course, does not pretend to be a complete list of the hospitals that will be participating in the programme. Any hospital, whether it be a large public general hospital, or a Red Cross hospital or a company hospital, which meets a satisfactory standard, will be able to participate in the insurance programme. Accordingly, Appendix A will be amended to incorporate these hospitals and, in addition, new hospitals that will be built from time to time.

Amendments to the list of approved hospitals as well as that for drugs, biologicals and out-patient services and many other matters can be made with the mutual consent of the two governments. Thus, within the ambit of agreement, the federal-provincial Acts and the related regulations, the commission will

have ample opportunity to mould its programme in accordance with the varied and changing conditions that it will encounter.

Now I may say this, that in drawing up the agreement, the suggestion was made at one time that we omit all the names of hospitals, but again it was felt that there were certain hospitals, some 150 or 200, that beyond any question of doubt would qualify, and that they might just as well be included in the original agreement.

The signing of this agreement is a further step in the series that is making hospital insurance in this province a living reality. It was at Ontario's insistence that hospital insurance was placed on the agenda of the federal-provincial conference in April and October of 1955. After several meetings, the government of Canada on January 26, 1956, two years ago, issued a statement setting out, in general, the terms on which it would participate.

These were more fully outlined at the time when The Hospital Insurance and Diagnostic Services Act was placed before Parliament—that is, the federal Parliament—in March and April of 1957.

The first Ontario Act which established the Ontario hospital services commission was passed, as hon. members will recollect, in 1956. At the next session, that is last year, 1957, the Act was repealed and legislation was enacted extending the powers of the commission and authorizing the government to enter into an agreement for hospital insurance services in accordance with certain terms and conditions.

This Act has been amended at this session, and assent has been given by his Honour the Lieutenant-Governor (Mr. Mackay) which has made possible the signing of the agreement which I have tabled.

This agreement thus marks the culmination of nearly 5 years of study and analysis of almost every conceivable hospital insurance plan.

When Ontario first initiated its studies back in 1953, it had, at that time, no preconceived views. It was not wedded to any specific plan. It was, however, conscious of the need of providing a comprehensive plan which would overcome one of the major hazards and sources of human suffering, namely, inadequacy of existing hospital insurance for the self-employed, the unwell, and the aged. In the end, Ontario reached the conclusion that a basic hospital insurance programme, available to everyone, was best for Ontario.

The system will come into effect on January 1, 1959, and will provide that, on payment of a small premium, basic hospital care and treatment will be available to everyone irrespective of age, occupation, disability, or condition of health. Coverage is also automatically made available to all recognized social assistance cases who cannot pay a premium. Benefits will include the care and treatment of the mentally ill and tuberculosis patients. The new hospital insurance plan absorbs crippling catastrophic burdens which arise from prolonged illness in hospitals as well as the expense of short-term stays.

I may say that the hon. member for Bruce (Mr. Whicher) has mentioned the matter of catastrophic illness before, a matter which I must say I was very much interested in myself, as was Rt. hon. Mr. St. Laurent when he was Prime Minister of Canada. But in the end, when we get down to it, there is only one practical way of handling it, and that is an all-duration coverage which is available to everyone.

It also means the development of a programme with which our people are familiar, for which a body of administrative experience, drawn from Blue Cross and other organizations, is available.

Finally, it permits the development of a plan which harmonizes with a national pattern of hospital insurance services.

It is a pleasure to table this agreement. I would not attempt to go into the details or regulations of it, but I would say that it might be referred to the committee on health, and there be subject to discussion on the part of the members and Mr. Ogilvie, the general manager of the plan, the members of the commission, and others who are close to the problems in which hon. members would be interested in a varying degree.

Mr. Oliver: Mr. Speaker, I want to address my first remarks to what the hon. Prime Minister said, which was unrelated to the hospital insurance scheme, having to do with the tabling and the asking for approval of the supplementary estimates.

I do not think there is any real rush for having those approved this afternoon, and I would say to the hon. Prime Minister that, in these supplementary estimates, there is a principle involved in respect to the whole system of supplementary estimates voted at this time. We want to be in a position to discuss that principle. I would think we should not proceed with the supplementary estimates this afternoon if this meets with the approval of the hon. Prime Minister.

Regarding the hospital insurance scheme, I have just a few words to add to what the hon. Prime Minister has said. All hon. members—I think all parties in the House—have welcomed the progress which has been made toward the implementation of hospital insurance for the people of this province.

I want to direct the attention of the hon. Prime Minister to one particular matter for a moment or so, and to get his reaction and explanation in relation thereto. That is in respect to mental and tuberculosis hospitals.

Last year he was quite insistent that any scheme entered into with the federal government should and almost must include, as shareable items of cost, the tuberculosis and the mental institutions. Now he has signed on behalf of Ontario an agreement yesterday, I understand, which does not include mental and tuberculosis hospitals as shareable items.

The hon. Prime Minister should explain to the House the reason for his weakening insistence on the inclusion of these two items. Last year he was quite sure that they should be included, and now he has signed an agreement which does not include them.

Is it related by chance to the federal-provincial conference and what emanated therefrom? Has it anything to do with the ultimatum—almost—by the federal government that, if those costs were shared, it would mitigate against the size of any payments to the province under the federal-provincial taxation agreement? Is there any relation between those two?

If not, what is the reason? Mr. Speaker, this is important in view of the position of the hon. Prime Minister today as contrasted to his position of a year ago.

Before I sit down, I want to say one other word.

I think it is important that the regulations and the agreement as such be discussed by the hon. members of the Legislature before this House adjourns, and I welcome the suggestion of the hon. Prime Minister—and I think it should be more than a suggestion—that this whole matter should be referred to the committee on health, where the fullest opportunity could be provided for hon. members to question the organization in charge of hospital insurance, and to get from them the answers to what are presently questions and doubts in their minds in relation to it.

The only other thing I want to ask the hon. Prime Minister is this: Has the organization for health insurance been such that there is any possibility of bringing the scheme in prior to January 1?

Before the hon. Prime Minister rises the hon. member for Brant (Mr. Nixon) has suggested that the hon. Prime Minister should inform the House whether he has any intention of asking the Legislature to validate the agreement. Now those are the questions which are in my mind.

Hon. Mr. Frost: Mr. Speaker, I will answer them from the bottom up if I may.

Concerning the bringing in of hospital insurance before January 1, 1959, I frankly do not think that it is feasible in any way. I think the date of January 1, 1959, which was set some time ago, is the earliest practicable date to bring this plan into effect.

If the plan were brought into effect before that time, it could only be done by sacrificing efficiency and good administration.

I have no objection, nor did I ever have any objection, to the federal government subsidizing the plans of other provinces before our plan. Our business, as I see it, is to do the best thing for our province administratively, and from the standpoint of efficiency.

I understand from our advisors, who I think are the very best in the province, that the earliest sensible date is January 1 next year, 1959, and I might say there has been no intention of varying or altering that particular date.

For elaboration on the reasons I have given, hon. members might ask Mr. Ogilvie and the members of the hospital services commission about that when the matter comes up before the committee on health. There, all of the problems of administration will be open for the consideration of hon. members, and I can assure them they are very great ones.

Concerning the question relative to validation: As a matter of fact, the Act of last year, as amended this year, The Hospital Services Act, gives the power to the government to enter into an agreement and therefore in my view validation as such is not necessary. We have discussed that with our solicitors.

For myself, I have no great reason for not agreeing to validation, and as a matter of fact, if it became necessary to validate we would, but it would have to be validated on this basis.

If the Legislature validated it, then it would have to contain very wide provisions for alterations and changes, otherwise if by the Act of validation we were put in the position that the House froze into very straightened and hard lines what we could do, it might be necessary to call the Legislature

together every time we ran into these administrative changes which I have mentioned.

I think there are going to be very many administrative changes. As a matter of fact, the regulations which have been passed are ones which meet the situation now, but as Mr. Ogilvie and others in charge of the administration of the plan will say, in all probability there will have to be changes from month to month, and perhaps oftener than that, in order to meet the varying conditions which we have.

I would say that the Legislature is given the powers, under sections 13 and 15, to enter into such an agreement, once the agreement is tabled and is here, and is subject to discussion.

All the benefits which might come from a validation by the Legislature are there.

Now again, if there was an Act of validation, its scope should be wide enough so it would not be necessary to call the Legislature together every time there was an alteration. As I say, there are 150 hospitals included in the list at the present time. Now, next week there may be an addition of 10 hospitals. I could probably think of 50 hospitals now—Red Cross hospitals and others—which will come into the plan.

Actually, there is the agreement made, by an exchange of correspondence with Ottawa, that they be included. I think it would be very undesirable to have a validating Act which would make it very difficult to carry on that kind of administrative work.

The other point which I have been asked about was about mental and tuberculosis illnesses.

Now, I want to say to the hon. leader of the Opposition that his premises, his time is a little out. It was not last year that I said that, it was the year before.

Mr. Oliver: Time passes quickly.

Hon. Mr. Frost: Yes, time goes quickly.

What happened was this: I always felt, as did my colleagues, that mental and tuberculosis illness should be included. How could we deal with the problem of catastrophic illness if we left out the two items that were the most devastating in their effects? Now, that was our position. I always took the view that such was the case.

However, a year ago at this time, as the hon. members will recollect, by way of correspondence between the heads of the Ontario and federal governments, we arrived at an agreement—hon. members will recollect that.

At that time, we agreed not to insist upon mental and tuberculosis illnesses being included, but we said we would include them in our plan. Now that is the situation.

Since that time, I have seen no cause to change that. We entered into that agreement with the federal government, as I say, by correspondence, in its general terms a year ago at this time. At the conference my position, I think, was made clear. I do not think it was mentioned in the plenary session, but it was mentioned afterwards, and I mentioned it to the hon. members of this House. I felt that we were not anxious at all to get into further matching grants with the federal government. All I want, and I think all the government wants, is very simple. It is the 15, 15 and 50 formula which added up means about \$100 million. With that we will run our own show.

I would say to the hon. leader of the Opposition that two years ago I felt no plan could be evolved which would meet the requirements of the excluded mental and tuberculosis illnesses. But we have that, and we have what we agreed upon a year ago, and we are satisfied.

Mr. J. J. Wintermeyer (Waterloo North): May I ask the hon. Prime Minister a question in this respect? He informed us that the agreement, as between the federal and provincial governments, incorporates the terms which were agreed upon some time ago. Now, is there any disposition on the part of the provincial government to extend the provisions of health insurance to administrative costs and out-patients, as was discussed at varying times?

Hon. Mr. Frost: Oh, yes. The Department of Public Welfare is engaging in work in connection with home nursing. Those things may provide the foundation for our going ahead into other fields.

I think the hon. member will agree that everything possible should be done to keep people out of hospitals, and provide in many ways cheaper and perhaps a less disturbing experience than they have when they become, as it were, disestablished by leaving their homes and their occupations and going to hospitals.

Now, I would say that our thinking is to go surely and cautiously in this matter, if we are to do a good administrative job and not bite off more than we can chew. We feel we should take the time that is necessary to do a good job with what is already outlined, and

extend that in a sound way, as and when we can do it.

Mr. Speaker: Orders of the day.

The House, on order, resolved itself into the committee of supply.

ON THE BUDGET

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, this is the third time that I have had the pleasure and the honour to lead off in this debate. I assure you that I consider it as such, and I hope that I will do the job that has been assigned to me by the hon. members of the Opposition.

At this time, I would like to say that I am very appreciative of the confidence that my hon. leader and my hon. associates in the Liberal party have shown by giving me the opportunity to do what, I can assure the House, is a rather difficult job. I want to say that I appreciate that very much, and that I have had their assistance and their guidance in the preparation of my participation in this particular debate.

If you will permit me, Mr. Speaker, I would like to pay particular tribute to one of our hon. members who, I think, did me the great service, 3 years ago, of stepping aside and giving me the honour of undertaking this work. I refer, of course, to the hon. member for Brant (Mr. Nixon).

The hon. members opposite have their elder statesmen, and they refer constantly and very affectionately to the hon. member for Peel (Mr. Kennedy). I can assure them that we would not trade our hon. member for Brant for any hon. member in the House.

And now, Mr. Speaker, it affords me a certain, and I should say, a real pleasure to speak of one who is not with us today, namely, hon. Dana Porter. He has been taken outside the jurisdiction of this House and, I am sure, is independent of politics, so I can speak quite freely of him. I want to say of him that we all knew him as a gentleman, as a real student of fiscal affairs, as a scholar, and as a good administrator. I can say for myself and all hon. persons on this side of the House, we wish him the utmost success and we hope that his work will be enjoyable and give him happiness for a long time.

Now, I must be a little more careful. I would like to pay some real sincere tribute to the work, the preparation and the presentation of the budget that was made last Wednesday. In this respect, I must be a little more careful than I was of hon. Mr. Porter

for obvious reasons. The hon. Prime Minister (Mr. Frost), in introducing the budget, said it was not a political instrument, but I think he was "kidding" a little bit, Mr. Speaker, or else was exercising poetical licence because there were parts of it that flavoured of political influence and suggested political actions.

Mr. J. A. Maloney (Renfrew South): But a very good budget.

Mr. Wintermeyer: Well, now, may I assure the hon. member that, certainly, the people of Ontario did a very good job. The question is whether it was administered properly.

Now, Mr. Speaker, this I can certainly say. We all respect the person of the hon. Prime Minister, and I make my congratulations to him in that respect without any reservation whatsoever. We are in opposite camps in a democratic forum, in a democratic Legislature where we have our respective jobs to do. But that does not preclude us from congratulating what, I think, was a masterly exposition and explanation of the budget last Wednesday.

Who, Mr. Speaker, will ever forget the hon. Prime Minister as he stood opposite last Wednesday afternoon in that patriarchal fashion, with his hands extended, ready and anxious to distribute the bounty of the realm? To the hon. member for Simcoe Centre (Mr. G. G. Johnston) he gave a hospital, to the hon. Minister of Planning and Development (Mr. Nickle), assistance for the Hotelview—

Mr. Maloney: That is an illustration—for everybody in Ontario.

Mr. Wintermeyer: Oh, yes, one for me. But to the hon. member, I would say, I was in the unfortunate position that I did not know that I was going to get \$1 million in my area for a school.

Mr. Maloney: But he did, for Waterloo College.

Mr. Wintermeyer: Yes, and now I express my thanks for it, as all were required to do on that day.

Mr. Speaker, I think that we can now proceed to the practical work of the job that has been allotted to me. We can get down to the business of criticizing this budget.

If I were asked what the fundamental criticism of the budget is, I would suggest it is in the fact—and this transcends the entire budget, it is a transcendent form of criticism—a failure to recognize, if you will, the fundamental economic and fiscal problems that face this nation as it passes rapidly and dynamically from an agricultural to an industrial economy.

Nobody will deny that our economy is changing, and has changed, to that of an industrial nation. The question is, have we led in our fiscal programme, the revenue and the expenditures of the province, in such a way as to dynamically accept the challenge that our economy has given us?

What have we done about the municipal problem? Have we done anything of realist fashion? What have we done about housing? What have we done about the numerous things that were required by the people of Ontario, to show some leadership?

This, I think, is the question for determination today. This is the question we have to answer. What has the budget done? Granted, it spent a lot of money. I would remind hon. members that we spent more money last year, than we have ever spent in our history. A year ago, sitting together, we agreed that we would spend \$475 million, and now I say that, before the end of March, we will have spent \$580 million, or more than \$100 million more than we agreed on a year ago.

Now surely that is not good planning. Surely that is not good administration and management. \$475 million is a lot of money, and one would expect the government to sit down and determine exactly what that expenditure would be in some real detail, instead of coming along 9 months later and saying: "We are sorry but we underestimated the expenditures. We are sorry that we underestimated them slightly." And the slight amount is \$100 million.

On the revenue side, what has happened? This year we have received from the people of Ontario \$120 million more than in any time in history. In 1956, we received approximately \$120 million less than we did this year, and yet with that buoyant revenue—\$120 million more than last year—we have overspent ourselves by \$100 million, gone into debt by \$100 million which is twice as much as we have ever gone into debt before, and we are told that next year we will go into debt by something like \$150 million.

Now I ask, is that good management? Is that good budgeting? Is that foresight in leadership and determination?

The simple fact of the matter is that this government is more interested in spending money than in managing money. It is more interested in spending on physical things that people can feel and see, because it knows, and it is committed to, a political philosophy that nobody shoots Santa Claus.

Everybody knows that some political advantage is gained by spending. This government will spend more than it receives no matter what it receives, and I repeat that this is the fundamental criticism that I want to make today.

May I emphasize the budget's failure to appreciate the real significance of good common sense in our economy. Sure, we have changed from an agricultural to an industrial economy, but that does not abdicate the common rules of good sense. One should not spend more than he receives, except under unusual circumstances, and we, here in Ontario, have overspent ourselves continuously for the last 10 or 12 years, in the best years of this province's history. If that be the case, when in the world are we going to stop?

Now I said that this government is committed to spending and I believe it. I believe that the political philosophy of this government is that "you stay in power by spending money," and I believe this government is more interested in winning elections and staying in power than in good administration.

I would suggest to you, Mr. Speaker, that the test of a political party is not winning elections, it is not staying in power, it is not spending money, but that when in power, the good administration that it is required to give is the real test. That is the final and the acid test, and that is the test that we are going to be required to make of this government this afternoon.

Now, I would like to refer for just a few minutes in a little more detail with respect to this question of spending. Hon. members will recall that last year, on the occasion of the budget and the debate, the former Provincial Treasurer got up and said that a new policy had been devised whereby capital expenditures would be controlled to a degree and a new day had arisen. He suggested that he realized it was an undesirable thing to continue to go deeper and deeper in debt, and he suggested that a line would be drawn whereby a certain portion of the total costs of capital expenses were paid out of ordinary revenue and that determination, he said, was 65 per cent.

He told us that, hereafter, the government would make it a policy to pay 65 per cent. of all capital expenditures in each fiscal year. Now that was a year ago. You will recall it well, Mr. Speaker. I merely remind you of that now and ask you to look to the record for this particular year.

Hon. members will have examined the budget, I am sure, and on page A5, the fifth

schedule of the first portion of the scheduling of the budget, they will see a statement of current operations, and at a moment's glance they will detect the fact that, instead of keeping its promise to pay 65 per cent. of its total capital expenditures, the government has decided now that it can pay only 45 per cent. and—worse than that, Mr. Speaker,—if you look at its current forecast for 1959, you will find that in that year, they anticipate that they will pay for only 33 per cent. of the government's total capital expenditures.

Now I ask again, where in the world are we going? Certainly, we should have some plan, certainly we should have some programme, certainly we should have some determination of what portion of our capital expenditures we are going to pay for.

In this respect, I know that the hon. Prime Minister will get up shortly and remind me that any good business man pays for a capital expenditure over a period of time. Building, for example, lasts a stipulated number of years, and what business man, what industrialist, would think of paying for a building in one year?

But is the government in the same position? Are we ever going to cease to put up buildings? The probability is that we will build more buildings next year than we have this year, and more the year after, and so on *ad infinitum*.

The fact of the matter is that this government is entirely different from a private industrial concern. The capital expenditures are ordinary expenditures to a government, and unless it can be demonstrated that our capital expenditures are not going to continue, unless it can be demonstrated we are not going to need more buildings, more schools and more institutions in the future, I find no validity whatsoever in suggesting that we should mortgage the future and mortgage those persons who, as somebody said, are yet unborn, for our folly today. We must make a determination.

We of the Opposition went along with the hon. Provincial Treasurer last year when he said, "I have come to the conclusion that I will hold the line at 65 per cent." Frankly we criticized even that. But we took it as established policy that the line would be held in that respect, and now, what chagrin we have when we come back a year later and find that is not the case at all, that instead of holding at 65 per cent., we have paid only 45 per cent. of our capital expenditures and next year we hope to pay for only 33 per cent.

And, Mr. Speaker, you will remember the fuss we have had over capital and ordinary

expenditure and revenue. What did we do? In that respect, we spent \$108 million more than we agreed on a year ago. Is that good management? Is that fiscal leadership? Is that planned economy?

Mr. Speaker, it seems to me it is the duty of the Opposition to demonstrate this fact in a realistic form. I know it is a serious problem, I know it is difficult, but certainly we could take some imaginative leadership, certainly we could take some steps forward. In this respect, I refer particularly to the estimates of The Department of Highways.

Now, Mr. Speaker, you know that at the present time about one-third of our total expenditures, ordinary and capital, are expended in that department. Any man with a bit of red blood in his veins knows and is determined that more money is to be spent in the future. We need roads in northern Ontario, and in my section of the country we have been patiently waiting from year to year for the development of highway No. 401.

The hon. Minister (Mr. Allan) will recall that a year ago we invited him to attend a gathering, and we were even generous enough to give him cuff links as a reminder of the fact that we were hopeful that, sooner or later, this road would be built.

Now, I think, we are told that 10 years from now it will be completed in all respects. We certainly hope it will not be 10 years, and I hope before 10 years we will have other roads which will serve the basic economic purpose that we all require, and that is the decentralization of our metropolitan populations and the industrial concentration of industrial activity in certain localities. Roads, good roads and highways can serve this purpose in a realistic fashion if we have a plan.

Last year hon. members will recall that we made the same criticism. I well remember, in this same debate, making the same complaints and I was then told: "Be patient, my good boy, the time will come, and it will come shortly, when we will present to you a great deal, a 20-year plan that will more than meet your expectations."

So we waited, and hon. members will recall, in one of the last days of the session, that a magnanimous document was brought in, dolled up, printed and nicely bound in expensive covering.

We examined it, and some of us thought that maybe it had the merits of some real genius. But the more we looked into it, the more difficulty we found with it, and it was not long before we all realized that it was not a master plan, that it was nothing more

than a dolling up of plans which have been on the board for a long time.

Mr. Speaker, that plan was conceived in haste and born prematurely in the last session of this Legislature; and then was permitted to die a natural death, all to the great satisfaction of the government.

Hon. J. N. Allan (Minister of Highways): May I ask a question?

Mr. Wintermeyer: I will permit the hon. Minister to ask a question, but certainly not to make a speech, and if he will ask a simple question I certainly will make an effort to answer it. But in fairness to my presentation, I do not want him to take advantage of the sort of thing the hon. Prime Minister constantly does, rise and, in a very magnanimous way, put that cloak of personality and kindness over this House and stifle all further discussion.

Hon. Mr. Allan: Would the hon. member permit a question?

Mr. Wintermeyer: Yes.

Hon. Mr. Allan: I am just wondering if he would like someone from this side of the House, who finds that plan easy to understand, to take some time to explain it to him?

Mr. Wintermeyer: I would be delighted, because I am not the only one, Mr. Speaker, who fails to understand that plan. I think many persons other than myself, other than hon. members on this side, many persons vitally interested in the highway programme itself, realize its inefficiencies, and I think the hon. Minister himself has said that he has a new plan, or that he is working on a new plan, and I suggest to the hon. Minister—

Hon. Mr. Allan: That is a municipal plan.

Mr. Wintermeyer: Well, Mr. Speaker, the fact of the matter is that that plan was, as I have said, hurriedly prepared for presentation prematurely in the last session. And I doubt that it meets the imaginative leadership that we require of a highway scheme throughout this province.

We need, in regard to budgeting, Mr. Speaker, a plan, an imaginative plan, of course. But over and above that, we must finance that plan in a practical way, and I suggest that the time has come when we in this House should determine to take the highway budget out of the regular budget and do what has been done in many states of the United States, treat it separately and distinctly from the overall budget. Finance it separately.

What is wrong with making a plan, a good plan, an overall plan, for 10 or 15 years, determining how much it is going to cost and carry out that plan, borrow the necessary money, and determine to raise enough revenue from the operation of those same highways to pay for that plan in an abundant manner over the same period of time? It has been done elsewhere, and there they did not take 10 years to put through a thruway—I speak of the Pennsylvania turnpike—and the other projects of more or greater significance and constructional difficulties than our own plans.

I say to you, Mr. Speaker, the time has come for some real imagination and, in a fiscal respect, we must divorce the highways programme from our overall budgeting.

Hon. Mr. Allan: Would the hon. member permit another question?

Mr. Wintermeyer: A question? Yes.

Hon. Mr. Allan: Do I take it from the remarks of the hon. member that he favours a toll road programme?

Mr. Wintermeyer: Not necessarily, Mr. Speaker, I feel this way about toll roads. Obviously, we are not quite ready for toll roads, obviously they are coming at some time in the future, but I do say that we have such matters within our jurisdiction, or within our control, and within our power. If we have the confidence and the faith in the people of Ontario that this government would suggest they have, I say that the people of Ontario are ready to pay for a realistic programme of highway expansion that will serve their economic and social requirements.

I do not suggest that we inaugurate a toll road system today or tomorrow or next year or the year after. What the future will be, I do not know, but we do have at the present time facilities to borrow sufficient money to undertake a real programme and pay for it out of highway revenue over a stipulated number of years.

This would prevent what has been happening in these last few years, that is the gobbling up, if you will, of all the revenue or the ordinary revenue of this province by the terrific demand of The Department of Highways, thus precluding realistic and needed advancement in education, welfare and in the other obligations that this government has to the people of Ontario.

I know that it is good to carry on with a programme, such as we have, from the point of view of the government. They are spend-

ing a lot of money on highways, and highways in many respects in the local areas are a desirable political exigency. What better can they do for any area than tell them that they are going to give a highway? I realize we have in this a political expedient which is of great advantage.

But the fact of the matter is that if we want to be statesmen about it, we will divorce this from our overall budgeting, and be determined, once and for all, that the highways programme must stand on its own feet. And we will not continue to spend in an unplanned fashion, and an undetermined fashion, millions and millions of dollars more than we planned on at the beginning of each fiscal year.

Oh, we know it is a good thing to hitch old Dobbin to the sled or to the wagon or what have you—to the shay—particularly when they have \$400 million or \$500 million worth of oats in the back porch. They can do a lot with that. You know, Mr. Speaker, that \$400 million or \$500 million worth of oats certainly "ain't hay."

But the fact is that we have gone beyond the time when we can just spend in an unplanned fashion. We have come to the time when we must determine exactly what our expenditures are. The hon. Provincial Treasurer can tell the House right now what his revenue will be within 5 per cent. next year. There is no question about it, there is no mysticism about it. His Department of Economics can do it effectively, they are doing it in other jurisdictions.

I had occasion just a few days ago, in making the preparation for this debate, to communicate with some of the officials in Pennsylvania, and they advised me that for years they have estimated their revenue within 5 per cent. and they have constantly of course kept their expenditure within the same limitations.

Mr. Speaker, the next subject upon which I would like to touch is the question of debt. You will recall that, at the outset, I stated that our debt had gone up by \$100 million this year. I said that last year it went up by \$52 million. That was the record in all the history of the province of Ontario up to last year. This year we have doubled that record. And yet next year we are going to treble it, when our estimated debt will be in the proximity of \$150 million.

Now just think of it, this is the condition of affairs. News lines and bylines and headlines for 10 years have been telling the people of Ontario that we have had a surplus, and what in effect have we had? Not one single surplus in all those 10 years. Not on one occasion

have we had a legitimate surplus. Is this intellectually honest?

Hon. Mr. Frost: I might say to the hon. member that—

Mr. Wintermeyer: I would permit a question, yes, but no explanation.

Hon. Mr. Frost: That is not what I said.

Mr. Wintermeyer: We might as well get this—a question, yes.

Hon. Mr. Frost: The swollen surpluses were talked of by the hon. leader of the Opposition and those associated with him.

Mr. Wintermeyer: I am coming to that, Mr. Prime Minister. Now, Mr. Speaker, the fact of the matter is this, that we have gone into debt in a manner that everyone agrees is undesirable. And we have gone into debt in the best years of economic development of this province.

I believe in cyclical budgeting, and I suppose others who look at the thing realistically and understandably do. It is true, maybe, that in this particular year there is a reason in difficult times and recessive times to do some deficit financing. But our deficit financing has never been planned, real deficit financing. Counter-cyclical budgeting presumes that in good times we build up a surplus, presumes that in good times we prepare for the bad times, but we have done nothing of the sort. For 10 consecutive years, in an unplanned fashion, we have gone into debt deeper and deeper. Now I will agree—

Mr. G. C. Wardrope (Port Arthur): May I ask a question?

Mr. Wintermeyer: Yes, a question but no speech.

Mr. Wardrope: What does counter-cyclical planning mean? I am not very well educated.

Mr. Wintermeyer: I am not an economist, but I can tell the hon. member for Port Arthur what I presume it means in the manner in which I am using it. It is this: That in good years you build up a surplus to avoid inflationary processes, to take money at a time when it is convenient to be paid, in bad times you deliberately spend more money than you take in to buoy up your economy, to put buying power in the hands of the little people, as the hon. Prime Minister would say. That is the counter effect of your normal process that is building up surplus.

Mr. Wardrope: Make a little and spend a little less.

Hon. Mr. Dunbar: Milk the cow in the proper season.

Mr. Wintermeyer: Yes. There is an old warrior with a better explanation than I had. In simple dramatic homey fashion, that is exactly what is done, exactly, and then when times get a little difficult and in recessive periods the economy is helped by deliberately putting into its bloodstream some enthusiasm and energy to carry on.

Now I say if that is what this government was doing, fine, but it has had no such programme. It has, in a deliberately unplanned fashion, gone about deficit financing in the best years of this province. Surely the time has come when we must make some realistic determination that this cannot continue. Hon. members will recall the hon. Prime Minister saying: "Twelve or 14 years ago it was an intolerable situation, we did not have \$250 million of debt. It must be stopped. From now on," he said, "we will expend more money than we receive only in those instances where we undertake capital projects that have some revenue producing sources. In other words, those capital projects which, of their very nature, produce revenue, those we will undertake in excess of our revenue, but in no other instance—this must be stopped." That was at the \$250 million mark.

Now, we are approaching the \$1 billion mark. Now they talk in terms of per capita debt, now they talk in terms of something that, I say to the hon. member for Port Arthur, I do not understand.

Mr. Wardrope: Neither do I.

Mr. Wintermeyer: I agree, and I do not know who in this world does. All I know is that we are going into debt in an unplanned and uncontrollable fashion, at the rate of \$12,000 an hour, as the hon. member for Oxford (Mr. Innes) said yesterday. A quarter of a million dollars a day, and that is a lot of money every day of the year we are going into debt—not paying out by way of expenditures, but are actually going into debt.

Now surely, the time has come when something must be done about this. I know, as I said, that explanations will be made in terms of per capita debt; but I am reminded of an old saying in regard to statistics—statistics make good arithmetic but bad logic.

Now in my simple way, no matter what statistical references are made, no matter what statistical explanations are made, it is

not good logic to continuously and persistently go into debt year after year.

Now I approach the subject that I presume the hon. Prime Minister was waiting for in his reference. Hon. members will recall that, in the budget, reference was made to the fiscal arrangements as between the provincial and the federal governments, and they will recall the explanation that the hon. Prime Minister made about the so-called \$22 million. There is no need in this House to define what we mean by \$22 million—we talked about it so much—when everybody knows exactly what the subject matter is.

Well, Mr. Speaker, you will recall, too, that the hon. Prime Minister, on the occasion of the presentation of the budget, complained of a speech that I made in Kitchener. He complained that I should not have said there what I did say, that I would be better advised to make my statements in this Legislature. Well, Mr. Speaker—

Hon. Mr. Frost: No, I did not say that. I said "The hon. member would be better advised to be at home doing his homework, than attending Liberal meetings."

Mr. Wintermeyer: Oh, well—

Hon. Mr. Frost: That is what I said.

Mr. Wintermeyer: Mr. Speaker, the situation is this, that in that speech at Kitchener, I do not recall all this reference to \$22 million. What I was referring to, on that occasion, was a rather humorous incident, I thought. I was referring to an article that appeared in the *Toronto Globe and Mail* at approximately that time, something about a "love feast" as between the hon. Prime Minister of this province and the Rt. hon. Prime Minister of Canada (Mr. Diefenbaker). Something about discussing politics over cold lobsters, and eulogizing one to the other.

Now, I said in that speech I made in Kitchener, the thing that amused me is that, when those two outstanding and distinguished men would get together and eulogize and make references back and forth about who they thought the other resembled most, it had seemed to me that, in view of their determined policy with respect to the diversion of trade from the United States, they would certainly not import their heroes from that great country.

From my recollection I would have expected that their heroes would come from England, or better still, from this good old province itself.

But, I ask the hon. Prime Minister, what did I say in regard to \$22 million?

I said in this House, and I said it on a day on which, unfortunately he was not present—and for the debate at the present time, I am prepared to repeat and summarize what I said at that time.

As I recall, I said something not in these exact words but to this purpose. I said that: "A year ago, the hon. Prime Minister of this province took the position that he needed more money, and that money should and must come from the federal treasury. He took the position, together with other hon. members of this house, that it was grossly unfair and inequitable for Ottawa to refuse to divulge, to refuse to repay, to the province, funds that it had accumulated by way of surplus, when as he said: 'One-half of all you have in Ottawa belongs to us. I, the Prime Minister of Ontario will settle for \$100 million, not a penny less than \$100 million.'"

You will recall that, Mr. Speaker, and then the hon. Prime Minister took up cudgels for the Conservative party at the expiration of the Legislature last year, and went about this province.

I said a few weeks ago that he personally did more to defeat the federal Liberal government in Ontario than any other man alive, and he did it because the people of Ontario believe that, when he said he needed \$100 million and that they were holding it back unlawfully and inequitably from him, they believed him, and they supported him, and voted a government out of power.

A new government took over on June 10, and I suggest that was at a price even to our hon. Prime Minister.

And then I said that it seemed to me wholly inconsistent that he should come back to this Legislature at the expiration of one year and say: "Gentleman, I have made an arrangement, I do not know exactly what the arrangement is, but it is an instalment or interim payment on what I still say that government owes."

That is not what he said a year ago. A year ago his words were: "We will make them disgorge, if necessary, that \$100 million. It is ours, it is owing to us."

In the year 1957, not one red penny of that \$100 million was paid to us. In the year 1958-1959, there has been a promise of some. I ask, Mr. Speaker, how much, what faith has the hon. Prime Minister of this province in the promise of the Rt. hon. Prime Minister of Canada?

In that, I am not criticizing the Rt. hon. Prime Minister of Canada, I am simply asking him what basic promise he has for the receipt of any money in the subsequent years.

Certainly it can be very little, because when we examine this budget carefully, we note that in our expected revenue, from the federal government by way of income tax rebate, we are not to get \$22 million more next year than we received this, but only \$12 million.

Now I ask the hon. Prime Minister, did he settle for 12 cents or for 22 cents on the dollar?

Hon. Mr. Frost: Where did the hon. member get the \$12 million from? I do not know anything about it.

Mr. Wintermeyer: Well, if the hon. Prime Minister will permit me, I will refer specifically to the budget. In the ordinary revenue, in schedule A1 and A2 of his budget, he will note that in his anticipated revenue from income tax rebates from the Dominion of Canada, his estimate of revenue is only \$12 million more for next year than this year.

Now, I say to him, one would surely have expected that there would be at least \$22 million more, because he has told us constantly that he brought an interim payment of \$22 million, and yet in his budget he suggests that he will get only \$12 million more this year. Now, he will find, in the forecast for 1959, in the ordinary and revenue forecast from the Treasury Department for the year 1959, that figure is up by only—I think it was \$82 million last year if I recall, and \$12 million more for next year. Now I say to you, surely that should be \$22 million more at least. Either he is deliberately underestimating or he has no promise whatsoever.

Now the hon. Prime Minister shakes his head. Well I say to the hon. Prime Minister that he has been a good Prime Minister, we all acknowledge that, but the one thing that has really brought him close to the hearts of the people of Ontario is the fact that he has acted in an honest and upright manner. He has said to the people of Ontario: "People of Ontario, forget party politics, forget all except the welfare of the people of Ontario."

He will recall that he challenged us to stand up and be counted last year, the count was for or against the federal fiscal agreements, the proposed agreements, and he criticized and chided us to no end for standing up and protecting and defending, if you will, the federal fiscal policy.

I ask him: Now that the government has changed, now since going off one year ago, and proclaiming from the hilltops and chimneys tops, that he would never give up, when he demanded \$100 million, why is he not part of this campaign today, why is he not out using the mediums of communication that he used a year ago—the press and the radio and

all the rest—demanding of Rt. hon. Mr. Diefenbaker a non-qualified promise to pay him \$100 million at the present time?

A year ago, he did not talk about 1959, and 1960, interim payments; he talked about the payment in the year 1957-1958. In that year, he did not get a red nickel. He got a few concessions, I will acknowledge, in regard to unemployment, and in regard to definitions of the unemployed, unemployable unemployed, and the like. In terms of dollars, I doubt that he got \$10 million.

He knows very well that, a year ago, the Harris budget allotted him something in the neighbourhood of \$50 million more than the previous year. But that was "peanuts". The hon. Prime Minister was not going to have any part of it, it was "\$100 million or fight." Why is he not fighting now?

Surely I will acknowledge that he rises in this Legislature, surely I will acknowledge that, in the book of the federal-provincial conferences that he sent to me, he said that he wanted \$100 million, but a year ago he more than wanted it, he was prepared to fight for it, and the people of Ontario now want him to stand up and be counted. Is he for or against what he said a year ago?

Hon. Mr. Frost: For.

Mr. Wintermeyer: Is he going to stand on the side of principle or political expediency? Well then, let the hon. Prime Minister do something about it, because I assure him that thus far he has not done a thing, except—

Hon. Mr. Frost: I would say to my hon. friend that I came home with the bacon to the extent that I brought home \$22 million.

An hon. member: He did not bring it with him.

Mr. Wintermeyer: That is right, he did not bring it with him. The fact of the matter is that the hon. Prime Minister knows very well that he did not get what he wanted, and I say it is his duty to fight for it. Either he is with the people of Ontario, or he is with the Conservative party, either he is or is not more interested in the people of Ontario than in the Conservative party. The determination is for him to make, and he must make it in an unqualified manner, and not in the quiet, reserved, peaceful fashion that he has done thus far, by saying with his tongue in his cheek: "Yes, I still want \$100 million. But, gentlemen, you know how things are, they cannot just see it right now, things are not as good as they were, and I have accepted \$22 million for the time being."

Hon. Mr. Frost: May I suggest—

Mr. Wintermeyer: The hon. Prime Minister may ask a question, but certainly give no explanation.

Hon. Mr. Frost: All right then, I will put it in form of a question.

Has the hon. member read the statement made by the Rt. hon. Prime Minister of Canada in announcing the \$22 million, and the other amounts, because if he has not read that, and if he would read it, it would give the full explanation to the question.

Mr. Wintermeyer: That is typical of the explanations we have had. It is a great thing, the hon. Prime Minister takes us on a merry-go-round, right around the issue two or three times, and then the problem is supposed to majestically disappear. The simple fact is he did not get, and he is not going to get, and does not hope to get, anything like \$100 million in either this year or next year.

Hon. Mr. Frost: The hon. member will be surprised.

Mr. Wintermeyer: I think the hon. Prime Minister will be surprised, too.

Mr. Oliver: If he is surprised at \$22 million, what would he be at \$100 million?

Mr. Wintermeyer: Now, Mr. Speaker, one thing that I did want to make reference to at this time, in conjunction with fiscal policy, is this. We have had a lot of debate, I acknowledge, in last year's and this year's session. We have taken different stands, it is true, but I think that we are all prepared now to meet in some realistic fashion and decide what the course should be for the future.

I do not think there is anything inconsistent with what I am now going to suggest, and what I suggested a year ago. I suggest that the only realistic programme for the future, in regard to fiscal programme and fiscal policy, is this, that we acknowledge, and sincerely do so, the need to subsidize certain of the less fortunate economic provinces of this Dominion. I suggest that the federal treasury is responsible to see to it that those provinces are in a position to exercise their responsibilities, and that the money be made payable directly and as a subsidy.

But over and above that, Mr. Speaker, I suggest that we have enough pride in ourselves, enough faith in the people of Ontario, to raise the funds and pay our own way. We can do it, and let anybody tell me that what

I am advocating is double taxation. It is nothing of the sort.

Mr. Speaker, you will recall that during the budget debate the hon. Prime Minister and Provincial Treasurer sent to me the notes of the federal-provincial conference in November, and I took the opportunity to study them carefully.

I recommend to the hon. Prime Minister that he support the position of hon. R. Stanfield. It is a good position. It is an understandable one, and I do not think it is wholly consistent with anything that has been said in this House. It is something slightly different I think, but it is analogous to what I am now saying, and I suggest to him that he support likewise the determination of the hon. Prime Minister of the province of Quebec, that some practical way be devised whereby we have a more efficient and uniform and sole collecting agency for all income and direct taxation, but that each province be required to determine the amount of its individual taxation.

If we go on forever in the determination of how the pie is to be divided, we will never be satisfied, and we will never carry on with the programmes that are required of this province, and I say that, Mr. Speaker, in the hope that it will be a contribution to this debate in this particular respect, without becoming embroiled once again in all the myriad arguments, back and forth, that we had a year ago.

Now, Mr. Speaker, may I refer to the matter of education and municipal affairs. I lump them together for the simple reason that we will all agree that the two problems are interrelated fiscally.

Hon. members all recall the statement of hon. Mr. Porter a year ago in his budget, when he said in effect that the programme and the policy of this government was to assist municipalities by way of absorbing more and more of the cost of education. He said that, being a dominant cost at the municipal level, much assistance would be given to these municipalities from the provincial level if a definite portion of that total cost was assumed.

One would gather that the government has done much in the course of the last number of years to solve this problem, but I ask, have they done anything except to pay more dollars? Have they maintained any stability? Have they effected any stability in the portions of money that are required to be paid by the municipalities for education?

In this respect, Mr. Speaker, all I am required to do is refer again to the budget.

In the 29th schedule, hon. members will see in quick fashion a summary of the respective portion of total monies paid by the municipalities for education in any given year.

In other words, and in simple language, the chart demonstrates the proportion of total municipal expenditures in any given year related to education. For example, in 1929, 32 per cent. of all municipal financing was related to education, and then it increased to 35, 36 and eventually it got up to 41 per cent., and one would expect that as a result of what had been termed the historic advances to education from this province, that that portion would dramatically fall.

Yet, judging by this schedule, in the year 1957, 43 per cent. of the total cost of all municipal expenditures in the province of Ontario will be paid for education. In other words, they are using more of their budgets now than they have ever used before.

That is the problem that must be solved. That is the problem that we must direct our attention to. I agree with the former Provincial Treasurer, that is the real problem.

The real way to assist municipalities to exercise their responsibilities, in a realistic fashion, is to assume a definite portion of the total cost of education. But has this government done it? I suggest that it has done nothing more than keep pace with what was a bad situation in 1929, what continued to be a bad situation throughout the 1930's and something that was still a bad situation in the year 1943.

What is wrong, Mr. Speaker, with assuming the total cost of teachers' salaries? In that way we would assume, and stabilize at least, the total cost of education at the municipal level. If teachers' salaries went up or down, sure it would vary. But in terms of budgeting, the municipalities would know exactly where they were at, something they do not know at the present time.

The need, the desire, the purpose and the imagination that is required is certainly to see to it that we stabilize, in an effective, realistic and understandable way, the cost of education that must be borne at the municipal level.

All we are doing is giving more inflated dollars and we think that we are solving the problem. We are making no real solution to the problem. I suggest that in all the past 13 years, we have made no inroads in the actual relative position that the municipalities are required to carry in respect to education.

I suggest that the time has come when this government has got to do more than merely

give dollars and pat itself on the back. The thing it has got to do is determine a policy, either by assuming the total cost of teachers' salaries in this province, or there may be other solutions that may be brought to the fore. But certainly some solution must come to the fore, certainly a programme must be advocated.

What is the matter with this great leadership that we hear so much about? Where is the imagination? Where is the faith and the confidence that we hear extolled day in and day out, confidence of which people yet unborn, as somebody said, will be appreciative? They will not be appreciative of the fact that the burden of property and municipal taxation is coming to a point where they cannot, in all fairness and equity, be expected to pay the portions of the cost of education that they are required to bear at the present time.

I say, Mr. Speaker, that other jurisdictions have done it. I mentioned a few moments ago that, in the state of Pennsylvania, they had made some real progress in this respect, and if I might just deviate for a moment, it was of great interest to me to note that in the state of Pennsylvania over 50 per cent. of the total regular budget is devoted to education. Over 50 per cent., not merely 50 per cent., and in terms of dollars, in the vicinity of \$400 million each year. That is what they think of education, of higher education, in that jurisdiction.

Hon. members will recall the hon. Prime Minister rising before us and telling us that no other jurisdiction on this continent is challenged with the dynamic development that this province is challenged with. That is a good thing and I hope it is so, but others have real challenges too and they are meeting them, and meeting them in a realistic way.

In Pennsylvania, they have assumed a definite portion of the total cost of education. There they related it to assessment and they have said, on a uniform assessment basis, that the municipalities will be required to levy only a stipulated number of mills for education, and all costs over and above that levy will be borne by the state government. That is leadership. That is policy, but where is it in this Legislature? Where is it in this budget? Nothing of the sort has been suggested or devised.

Now I will acknowledge, in one respect, that in this particular budget, what appears to be a great concession to overcoming certain inequalities in the distribution of grants, has been or might be made. I agreed with what the hon. Prime Minister said. He said that, in effect, the grant system would be completely revised to the extent that the

rural system of grant allotments would be applied to the urban centres.

That I agree with, and I think it will overcome inequity. But let us remember it has nothing to do with the problem I am talking about. It merely overcomes some inequitable situations existing at the present time, in regards to particular school boards.

And then I heard the explanation of the hon. Minister of Education (Mr. Dunlop), and I became a little doubtful whether the problem and the policy was as simple as was enunciated by the hon. Minister. I will be interested to hear his explanation in the ensuing and completing portion of this Legislature.

If it does what the hon. Prime Minister says it is going to do or should do, I commend him in that respect. But I say that he still has not tackled the municipal problem. He still has not stabilized the responsibility of a municipality in regard to education, and that is the key to this whole municipal-provincial fiscal policy.

I say to the hon. Prime Minister that it is a disgraceful thing when we see municipal mayors and reeves banding together to go to Ottawa to ask for assistance. Not that I blame them for going to Ottawa, but they are creatures of this Legislature, creatures of this province. Why should they be required to go to another jurisdiction? Their place is here in this Legislature. It is here that they have a right to look for assistance. Why must they go to Ottawa instead of here, where they would expect—and can and should expect—to be treated in a fashion that is understandable and realistic in these dynamic times?

Mr. G. E. Jackson (London South): Would the hon. member tell me, or perhaps tell the House, whose responsibility he thinks the question of education is? Is it that of the municipality, or the legislative body or those higher up? Where does he think the responsibility rests?

Mr. Wintermeyer: Well, Mr. Speaker, that certainly is a justifiable question. There is no question that, from a technical or legal point of view, The British North America Act makes it specifically the responsibility of the provincial government, and until that Act is amended, my position always will be that this is where the responsibility lies.

The hon. members will recall that the budget made some great promise of things to come in regard to higher education. Much ado was made, indeed, about the revolving

fund. Some \$3 million was to be set up to assist students in higher education.

Now what I would like to do, Mr. Speaker, is draw to your attention some factors that I think have a bearing on this overall situation. Do you know, for example, Mr. Speaker, that at the present time, students pay \$97 million each year for education? I am not talking about administrative costs, I am merely talking about tuition and costs of board and lodging and the like. The sum of \$97 million is paid for this purpose in the Dominion of Canada.

It is estimated that approximately \$50 million is paid for that purpose in the province of Ontario.

Now of that \$50 million, how much do hon. members think the government contributes by way of bursaries, by way of loans, and so on? Well, hon. members would be ashamed if I told them. The total contributions amount to less than 8 per cent. In other words, if a total of \$97 million is spent in this respect, \$92.5 million is contributed by the individual students and their parents. The families of these students together with the students pay \$92 million of the \$97 million.

Now, who in the world, in view of those facts, can say that we do not have a privileged system of higher education? What overall opportunity is there for the average child to get a university education? Who, reading those figures, can contend that all have an equal opportunity to attend at higher levels of education? They do not.

The realistic fact is that we are just toying with this problem. We are meeting it in a hesitant way; what we should be doing is getting out ahead, leading and directing youngsters in their efforts to pay for and attend university. The \$3 million that we talk about is little or nothing.

I do not want to be so silly as to stand before you, Mr. Speaker, and say that we are not grateful for it, I am not so silly as to say that it is not a good thing, but it is wholly unrealistic.

In terms of the lack of leadership I simply point to this government. When the bill was introduced in this Legislature the government did not know the interest rate, the terms, nor who would be eligible for these particular loans. What interest has been taken in higher education? What preparation had they made for the introduction of this particular sum of \$3 million? Nothing more than, in a hesitant fashion, to suggest to the Legislature that now, at long last, they were willing to do something.

What were they willing to do? They said that 2 per cent. of the total cost in this province would be made available to students at this Legislature's expense—no, not at their expense, they would loan them the money, and it would be repaid.

Mr. Jackson: The hon. member voted against any aid to students last year.

Mr. Wintermeyer: Mr. Speaker, I grant that some hesitant step has been made, but where is the programme for the future? How are we going to encroach on the \$50 million that I speak about? What will be done for the youngsters who cannot pay now? I agree with the hon. Minister of Education the loans should be given to the senior students, but what about bursaries, what about doing something to encourage those youngsters in high school who at the present time are completely discouraged because they do not know how in the world they will finance their time in school?

It seems to me that this government must show some real leadership in that respect, and regretfully I say that, up to the present at least, they have shown no leadership except to suggest \$3 million by way of a revolving fund which in some manner will be made available to students at some time in the future.

I would like to refer briefly to the unemployment problem. Hon. members will recall there has been much discussion about the unemployment problems both in this debate, in the presentation of the budget, and in the Throne debate proper.

They will recall the great suggestions of the good that is being done by this government in regard to unemployment by the references to 215,000 people who were directly, or indirectly, employed by this government. That, it was said, was a wonderful thing. That, it was said, was a real effort to solve the unemployment problem. But in the computation of the 215,000, did hon. members ever stop to think that the government included all Hydro employees, all teachers, all persons employed by any public body in the province, whether at the provincial or municipal level? How many new people were employed by this government directly or indirectly in a deliberate and calculated fashion to relieve the unemployment situation? I suggest, none. These people are employees who would have been employed whether or not there was a recessive period in our economy.

It is simply the fact that, as we progress economically from an agricultural to an in-

dustrial age, of course we employ more people. We put up more buildings and the like. But what did we do in regard to unemployment itself? We contributed \$5 million under certain conditions.

Mr. Speaker, I often think that this government must feel that it solves the unemployment problem by buying an apple at the street corner. It certainly is not done in that fashion. The fact of the matter is that, in terms of realistic leadership, nothing has been done in regard to unemployment except a contribution of \$5 million under certain stipulations.

Mr. Speaker, have you ever thought of the inconsistency in respect to the \$5 million? For years we have been preaching the theory that more and more responsibility should be assumed by the province and less and less at the municipal level. We have said that, at the municipal level, they should be required to pay more towards roads and streets, sewers and so on, but nothing in regard to public welfare. Our objective has always been to relieve the municipalities of those responsibilities.

Yet, in respect to the conditions applying to the \$5 million, a retrograde step has been taken, a step that we all agreed was bad a year or two ago. What in the world did the government have in mind when it stipulated that the municipalities would be required to raise substantial sums of money by additional taxation of their overburdened properties in order to participate in this particular project?

Mr. Wardrobe: Would the hon. member permit a question?

Mr. Wintermeyer: Yes.

Mr. Wardrobe: Would the hon. member care to mention the access roads and parks programme doing such a great job in my area, would he mention that?

Mr. Wintermeyer: We had those last year, the year before, and as long as I can remember.

Mr. Wardrobe: No, we did not.

Mr. Wintermeyer: Now, Mr. Speaker, surely the hon. member for Port Arthur is not going to be misled—

Mr. Wardrobe: I see it with my own eyes.

Mr. Wintermeyer:—in thinking that every bit of work that is undertaken is done and designed, and intended to help the unemployment situation? I will tell him what he could have done, this hon. member up in that

district. What did he do when they imposed the logging tax a year ago? He sat there. He did nothing.

Mr. Wardrope: I voted for it.

Mr. Wintermeyer: And the hon. member for Port Arthur knows better than I that nothing would have helped the unemployed up in his area more than to relieve the pulp and paper industries from that burdensome tax.

Mr. Wardrope: Balderdash; balderdash. It has nothing to do with it at all.

Mr. Wintermeyer: Mr. Speaker, let him talk to any of the executives; let him talk to the employees; let him talk to management which I have done. They will all tell him that at this particular time, and for the last few years, they have had a difficult time exporting pulp and paper into the United States. It is an understandable situation, there is real competition in the southern States, and added to that there is an adverse exchange rate, as a result of which this industry has been depressed for some time.

Then, let the hon. members add this yoke, this extra cost of operation in a manner that is wholly unjustified.

They say they are interested in helping expand the north. The thing for them to do is to encourage these people, show them confidence, give them the assurance that this government is interested in them. The one thing that would have helped their employment up there, more than anything else, is a full pay cheque, and the one way to get a full pay cheque is to have full production, and the way to get full production is to instil confidence in management and capital, in that area, that they are not going to be trampled on every time they attempt to expand—

Mr. Wardrope: The hon. member is not doing it with his talk, I will tell him that. He is not creating confidence.

Mr. Wintermeyer: Mr. Speaker, that may—

Mr. Speaker: Order.

Mr. W. G. Noden (Rainy River): May I ask a question? Would the hon. member not call 6 days a week full employment?

Mr. Wintermeyer: Well, Mr. Speaker, of course people will present this sort of thing, but let me ask this, in the simplest fashion: Does the hon. member agree with me that the pulp and paper industry has been handicapped by competition from the southern States? Why, certainly it has. Has it been

handicapped by adverse exchange rates? Why certainly it has. Then why, of all the industry in this province, was it picked as that industry required to assume an extra 2 per cent. tax in view of those circumstances? That is my proposition in the simplest form.

Hon. Mr. Frost: Mr. Speaker, may I point out to the hon. member that I understood him, a moment ago, to say that the 235,000 jobs that are contained in this budget included teachers and provincial employees. May I assure him that that is not the case? It does not include teachers nor does it include the civil service. The 235,000 jobs are entirely attributable to the capital programme of the government and its subsidies. All the others are additional to that.

Mr. Wintermeyer: Mr. Speaker, to that extent I stand corrected. However, the point I am trying to make is this, that they were not added as a deliberate effort to—

Hon. Mr. Frost: Oh, yes.

Mr. Wintermeyer: Well, then, Mr. Speaker, what specific employees were added for the purpose of relieving the unemployment situation?

Hon. Mr. Frost: 235,000 jobs.

Mr. Thomas: What jobs?

Mr. Wintermeyer: Well, now, Mr. Speaker, that is a better demonstration than I could ever make of the fact that this government did not deliberately set about to add more people to its payroll to relieve the unemployment situation.

Hon. Mr. Frost: On our payroll, but stimulate jobs.

Mr. Wintermeyer: That is right, or stimulation.

Hon. Mr. Frost: That is right.

Mr. Wintermeyer: Where did the hon. Prime Minister stimulate?

Hon. Mr. Frost: I point out to the hon. member that last year we deliberately budgeted for a huge programme because we disagreed with the Ottawa policy in treating inflation as the first enemy. We thought unemployment was the first enemy.

Mr. Wintermeyer: Well, now, Mr. Speaker, what is the ratio—how many people were employed last year as compared with this year?

Hon. Mr. Frost: Last year was a big year, about 215,000. It is in the budget.

Mr. Wintermeyer: Just about the same as this year.

Hon. Mr. Frost: 235,000 this year.

Mr. Wintermeyer: And, Mr. Speaker, surely we all agree our economy is expanding, certainly the government is going to have more work each year. I suggest that this argument the government has been using has no basis in fact. Certainly more jobs are coming about as a result of big expenditures, but I certainly take issue with the argument that the money has been spent for the specific purpose of relieving the unemployment situation.

Mr. Speaker, I would like to make reference to succession duties for one moment, and in that respect I was one, I am sure, of many who were very much disappointed that the government did not, in any way, relieve particularly the smaller estates from the burden of succession duties.

You well know, Mr. Speaker, that in Ottawa and at the federal level, an estate of \$50,000 is excluded in its entirety.

In the province of Ontario, depending on who receives the estate, it can be up to approximately that amount. But under certain given circumstances, an estate in Ontario can be taxed at \$5,000. Now I ask you, Mr. Speaker, is this fair? I suggest that today, given the cost of living, given the inflated dollars, that no estate of less than \$100,000 should be taxed by the province.

And I suggest further that we take into consideration the fact that, by and large, in the normal instance, an estate passes from husband to wife. I would think that in all equity, one-half of such an estate should be exempt immediately. And it should be considered that a wife has assisted to the extent of one-half in the accumulation of these smaller estates. Now this is not going to be a burden to the government, this is not going to be a loss of great revenue, but this is going to be the sort of thing that will demonstrate that the government is thinking about the problems of the so-called little people, and I suggest that the budget in that respect is wholly lacking in the suggested solution.

Now in conclusion, I would say, as I said at the outset, that the basic problem we have, is to meet these challenging times, to meet them in a realistic fashion, to plan, to determine what our revenue is going to be and what our expenditure is going to be.

I would challenge the hon. Prime Minister at any time to ask of any hon. member of this side of the House what our total expenses were last year, what they are this year, what our total revenue was last year and what it was this year. And I suggest that we have intelligent hon. members on this side, that we have people who are interested, and if the hon. members in this House cannot answer those simple questions, then how in the world are the people of Ontario expected to do so?

The fact is that we should treat both ordinary and capital expenditures as ordinary expenditures each year, so that the people have some simple understandable way of analyzing our financial progress.

The reason that we have continued to use ordinary and capital accounts separately is solely the fact that we can thereby demonstrate a surplus of ordinary revenue over ordinary expenditure. But in terms of the overall picture, we have not, as I said, shown a surplus for the last 10 years, and these were the best years of this province's economy.

That, Mr. Speaker, is my first and basic criticism, and then I suggest to you that we should and must alleviate the burdensome encroachment of The Department of Highways on our overall budget. Certainly we must segregate this portion of our total cost from the overall cost, so that we can and will be ready to do something about the challenging problems in welfare and education. And I suggest that, in these respects, this budget wholly and completely lacks imagination, completely lacks solution.

What did it do, as I have asked, about the real municipal fiscal problem? In this respect, municipalities are required to spend just as much of their total revenue, of their total levy, as ever before on education, but when listening to the government one would think that they have done wonders to relieve that burden. Therefore, in conclusion, may I read the following amendment to the resolution:

That the motion that Mr. Speaker do leave the chair and the House resolve itself into committee of supply be amended by adding thereto the following words:

But this House regrets that the budget does not, in any wise, recognize or solve the fundamental fiscal problems of the province of Ontario in its rapid evolution from an agricultural to an industrial economy, and in particular, lacks imaginative leadership in the solution of:

1. The municipal-provincial fiscal relations;

2. A long-range programme for highway construction and financing;

3. A failure to devise a plan for managing the ever-rising debt.

Mr. J. Root (Wellington-Dufferin) moves the adjournment of the debate.

Motion agreed to.

THIRD READINGS

The following bills were given third reading, upon motions:

Bill No. 47, An Act to amend The Ontario School Trustees' Council Act, 1953.

Bill No. 48, An Act to amend The Department of Education Act, 1954.

Bill No. 50, An Act to amend The Anatomy Act.

Bill No. 51, An Act to repeal The Beaches and River Beds Act.

Bill No. 52, An Act to amend The Conditional Sales Act.

Bill No. 53, An Act to amend The County Courts Act.

Bill No. 54, An Act to amend The General Sessions Act.

Bill No. 55, An Act to amend The Deserted Wives' and Children's Maintenance Act.

Bill No. 56, An Act to amend The Interpretation Act.

Bill No. 57, An Act to amend The Judicature Act.

Bill No. 58, An Act to amend The Magistrates Act, 1952.

Bill No. 59, An Act to amend The County Judges Act.

Bill No. 60, An Act to amend The Surrogate Courts Act.

Bill No. 62, An Act to amend The Public Trustee Act.

Bill No. 63, An Act to amend The Summary Convictions Act.

Bill No. 64, An Act to amend The Mechanics' Lien Act.

Bill No. 66, The Certification of Titles Act, 1958.

Bill No. 67, The Township of Tay Road Allowance Act, 1958.

Bill No. 68, An Act to amend The Provincial Land Tax Act.

Bill No. 71, An Act to amend The Corporations Act, 1953.

Bill No. 72, An Act to amend The Corporations Information Act, 1953.

Bill No. 73, An Act to amend The Teachers' Superannuation Act.

Mr. Speaker: Resolved that the bills do now pass and be intituled as in the motions.

THE LABOUR RELATIONS ACT

Hon. C. Daley moves second reading of Bill No. 93, "An Act to amend The Labour Relations Act."

He said: Mr. Speaker, these bills, both this one and The Workmen's Compensation Act amendments, are to go before the labour committee.

In connection with these bills, there is not too much of great importance in them, yet there are a couple of sections here that describe the administration and there is a section that establishes a change in the labour legislation in respect to a collective agreement that is made between the union and the employer, for a period longer than one year.

The Act presently requires that, when an agreement is made, it shall be deemed to be for one year, and that at the end of 10 months they have what is termed an open season when there may be a contest during the last two months of the agreement for another union to replace the existing one or some changes to be made.

Formerly the length of agreements was to a great extent, one year, but it has changed and now it has become so that the one year is exceptional, and most agreements go for two, three, or even more years.

Now, under this amendment, an agreement where the employer and the employee mutually agree upon a two-year agreement, there shall be no open season until the twenty-third and twenty-fourth month of that agreement. If the agreement is for more than two years, say three years, it would be open on the thirty-fifth and thirty-sixth months.

By these amendments, we eliminate the continued unrest of industry and the employees agreeing on a definite two-year agreement, for which they have received certain conditions, and then at the end of 10 months the thing is thrown open and there is trouble in the plant, and someone is trying to replace somebody else and so on. I think it is a very desirable piece of legislation, it

is really a protection for longer term agreements than one year.

Another section simply corrects a typographical error; and section 6 has to do with appointing alternate members of the labour relations board. We have found year after year that the business of the board increases, and that they are confronted with more and more problems. Last year, as hon. members will recall, we established a system of having the vice-chairman and the chairman each able to conduct a panel. That has helped out a great deal. We have split the members of the board in two parts, on occasions when it was deemed necessary and advisable. We can have two panels running.

But we still find that so often that one or the other member, either the employer's representative or the union representative, cannot be there and it disrupts the programme.

Now, what we want to do is appoint some alternate members who would be active only at the call of the chairman, but who would be able to take their places on the board when required.

In that way, I feel, we would be educating some new people, because from time to time we have to make changes in the board, we have to bring in an entirely new man. It takes at least a year, I would say, for a man to become fully conversant with the activities of administering the board, and this section simply permits us to appoint some alternate members.

Mr. Oliver: How many does the hon. Minister expect to appoint?

Hon. Mr. Daley: Oh, I would say probably 4 or 5, and they would simply be on call, they would be paid a *per diem* rate when they served. We would get a couple from the employers and a couple from organized labour, and we would have them available and they would be learning in the meantime. I have no set number, Mr. Speaker, it could be more, and we might survive on less. But we should have some, and this would enable us to appoint alternate members. I believe that is the principal thing in connection with this bill.

Mr. R. Gisborn (Wentworth East): Might I ask the hon. Minister a question in regard to amendments of application for decertification? Do I interpret the amendment to apply in any term other than a straight one year or two years—say, two years and three months, or two years and six months? Would it then apply to the last two months of the termination of the application for decertification?

Or is it set only on a one-, two- or three-year basis?

Hon. Mr. Daley: The last two months of the agreement, yes.

Mr. J. A. Maloney (Renfrew South): Mr. Speaker, may I advise the House, as chairman of the select committee on labour relations, that the intended amendments were brought to the attention of the committee by myself, as a result of information given to me by the hon. Minister, and it was the unanimous opinion of the committee these amendments should be permitted.

Mr. Gisborn: Might I ask the hon. Minister if the bill is going to the standing committee on labour?

Hon. Mr. Daley: Yes, I said at the outset I intended to take these before the committee.

Motion agreed to; second reading of the bill.

THE WORKMEN'S COMPENSATION ACT

Hon. Mr. Daley moves second reading of Bill No. 92, "An Act to amend The Workmen's Compensation Act."

He said: Mr. Speaker, this bill will also go before the committee on labour. It has some questions in it that are pretty much administrative. The first one is to make legal something which has been done for years. Municipally-owned hospitals have been included as if under the Act, but it has been discovered that they could have been under schedule 2, being municipally-owned. And the procedure has been for several years now that they are assessed just like any other hospital, and this legalizes our procedure.

Section 2 has to do with the cutting of timber. If the timber is cut by a person other than the licensee, it is the duty of the licensee to see that the person engaged in the cutting of such timber, if liable, contributes to the accident fund.

Suppose that a licensee for cutting timber sublets to somebody else. If that "somebody else" does not pay the assessment, the worker is affected, and if he is injured the workmen's compensation board have to look after him, but sometimes they cannot find the fellow who was responsible for this.

This amendment makes the original licensee responsible. He will actually benefit, because payment for these accidents which occur, for which the board has to pay and cannot collect, just eventually falls on the

shoulders of the great companies who are doing business, and increases their assessment. With this we have the power to check and collect from the smaller sub-contractors. I feel this would in some way reduce the actual assessment.

Another section here, which I think will certainly meet with the approval of all, is that we are presently paying on the death of a workman. As soon as the compensation board is acquainted with the fact that a man has been killed, it immediately sends \$200 to the surviving widow, or whoever may be next of kin, I imagine. That is to have cash on hand for emergency.

Then they have been paid \$200 for funeral expenses, and it has been realized that it is quite possible in these days that \$200 is not sufficient for a proper funeral, and a request was made to raise the funeral payment up to \$400. But we decided that it would be better to give the widow an additional \$100, making it \$300, and increase the funeral allowance to \$300, so that a person would have the opportunity, if she wished to spend more than the \$300 on the funeral, she would have this \$300 cash which she could use.

On the other hand, if we made the expenses for a funeral \$400, well, every funeral would cost simply \$400. So we think that is a very good amendment, and I am sure we all approve of greater assistance to these people in their time of trouble.

Another amendment is rather a peculiar thing that we have to do. The Act claims that where there is an accident, the person must be injured. But we found at least one accident where, in the woods, a tree fell on a worker and broke his leg, but it was not his leg, it was a wooden leg. Now, it might be asked: "Well, why would you pay him?"

Well, investigators found that this man, away up in the bush, with his wooden leg broken, could not get around. He could not work, and he could not get another leg until he could reach some place where he could get one. He lost two or three weeks' work because he could not get the leg. We felt that if it had been his real leg, it would probably have cost us a lot of money, whereas this would only cost us a couple of weeks or a week. We are trying to clean that little thing up.

An hon. member: Trying to give him a "leg up."

Hon. Mr. Daley: Another section deals with first aid. We have certain authority in regard

to people who violate the safety rules and precautions, and are found to be negligent in protecting the welfare and safety of the worker. There is a section now which permits the board to penalize these people who consistently refuse to follow the regulations in connection with safety.

It was admitted, when this Act was amended, that it did not include safety first precautions. Now we think it is desirable that people equip themselves with first-aid kits, particularly in situations where somebody takes a dozen men away into the bush, and some man gets cut and probably is bleeding very badly. They should have proper materials and facilities to take care of him. Now, we think it should be a requirement that they have these things.

It might save a man's life to have some bandages and some material there to look after him, and we want that safety equipment regulation included in there, because we find that some people, in spite of the small cost, will not have these things available.

I think Mr. Speaker, that about completes my explanation. At any rate, we will be discussing, I am sure, these matters in greater detail in the committee.

THE TELEPHONE ACT, 1954

Hon. W. A. Goodfellow moves second reading of Bill No. 97, "An Act to amend The Telephone Act, 1954."

He said: Mr. Speaker, I have a few observations to make in respect to these amendments.

The Telephone Act was passed by the Legislature in 1954, and the telephone authority was established to administer the Act. It was the intention of the government, at that time, that the authority serve the independent telephone systems across the province, of which there are a great many.

I might say that I have received some complaints from the board of governors of the independent telephone systems in this province, that they should have representation on the authority. I agree, in view of the fact that it was established as a service to be used by these small independent telephone companies across the province.

The purpose of these amendments is to permit the reconstitution of the telephone authority by including representatives from

the independent telephone companies, and it also provides for their remuneration.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, on the wider aspects of this bill, as the hon. Minister said, this authority was set up in 1955. I guess the bill itself was passed in 1954.

The purpose of the bill was to set up machinery which, it was hoped, would help to correct the deteriorating situation insofar as independent telephone companies were concerned. And now the hon. Minister might serve a real purpose if he could tell the House, this afternoon, just what the picture is as of now, in respect to these independent telephone companies.

I would like to know, for instance, how many have been merged together so that they might operate more efficiently. I would like to know, in how many instances, the Bell Telephone Company has taken over existing telephone lines, and generally just what is the picture in respect to these companies.

Are they in better shape, from the government's point of view, than they were when the authority was set up, and has the authority served the purpose for which it was intended?

Hon. Mr. Goodfellow: Well, Mr. Speaker, the hon. leader of the Opposition has raised the point as to what purpose has been served by the telephone authority. It is my intention, Mr. Speaker, in presenting the estimates for The Department of Agriculture, to go into some detail in connection with the very question which has been raised by the hon. leader of the Opposition, in respect to what has transpired since The Telephone Act, 1954, was put into operation.

Motion agreed to; second reading of the bill.

THE PROVINCIAL PARKS ACT, 1958

Hon. C. E. Mapledoram moves second reading of Bill No. 109, "The Provincial Parks Act, 1958."

He said: Mr. Speaker, I do not think I can give any more explanation than I did on the first reading, except to say that this bill will be going to the committee on lands and forests tomorrow morning for full discussion.

Motion agreed to; second reading of the bill.

CITY OF WATERLOO

Mr. J. J. Wintermeyer moves second reading of Bill No. 7, "An Act respecting the city of Waterloo."

Motion agreed to; second reading of the bill.

ROYAL VICTORIA HOSPITAL AT BARRIE

Mr. G. G. Johnston (Simcoe Centre) moves second reading of Bill No. 12, "An Act respecting the Royal Victoria Hospital at Barrie."

Motion agreed to; second reading of the bill.

TOWN OF THOROLD

Mr. J. Root moves second reading of Bill No. 18, "An Act respecting the town of Thorold."

Motion agreed to; second reading of the bill.

CITY OF LONDON

Mr. J. A. Fullerton moves second reading of Bill No. 19, "An Act respecting the city of London."

Motion agreed to; second reading of the bill.

LAKESHORE DISTRICT BOARD OF EDUCATION

Mr. A. Grossman move second reading of Bill No. 23, "An Act respecting the Lakeshore district board of education."

Motion agreed to; second reading of the bill.

BOARD OF EDUCATION FOR THE TOWNSHIP OF NORTH YORK

Mr. W. J. Stewart (Parkdale) moves second reading of Bill No. 24, "An Act respecting the board of education for the township of North York."

Motion agreed to; second reading of the bill.

VILLAGE OF LONG BRANCH

Mr. A. H. Cowling moves second reading of Bill No. 38, "An Act respecting the village of Long Branch."

Motion agreed to; second reading of the bill.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before moving the adjournment of the House, I would repeat what the hon. Prime Minister said earlier, that the calling

of the estimates of The Department of the Attorney-General, and of The Department of Insurance, will take place tomorrow. There will be some Throne debate possibly, and a number of bills may be called.

Hon. Mr. Roberts moves the adjournment of the House.

Motion agreed to.

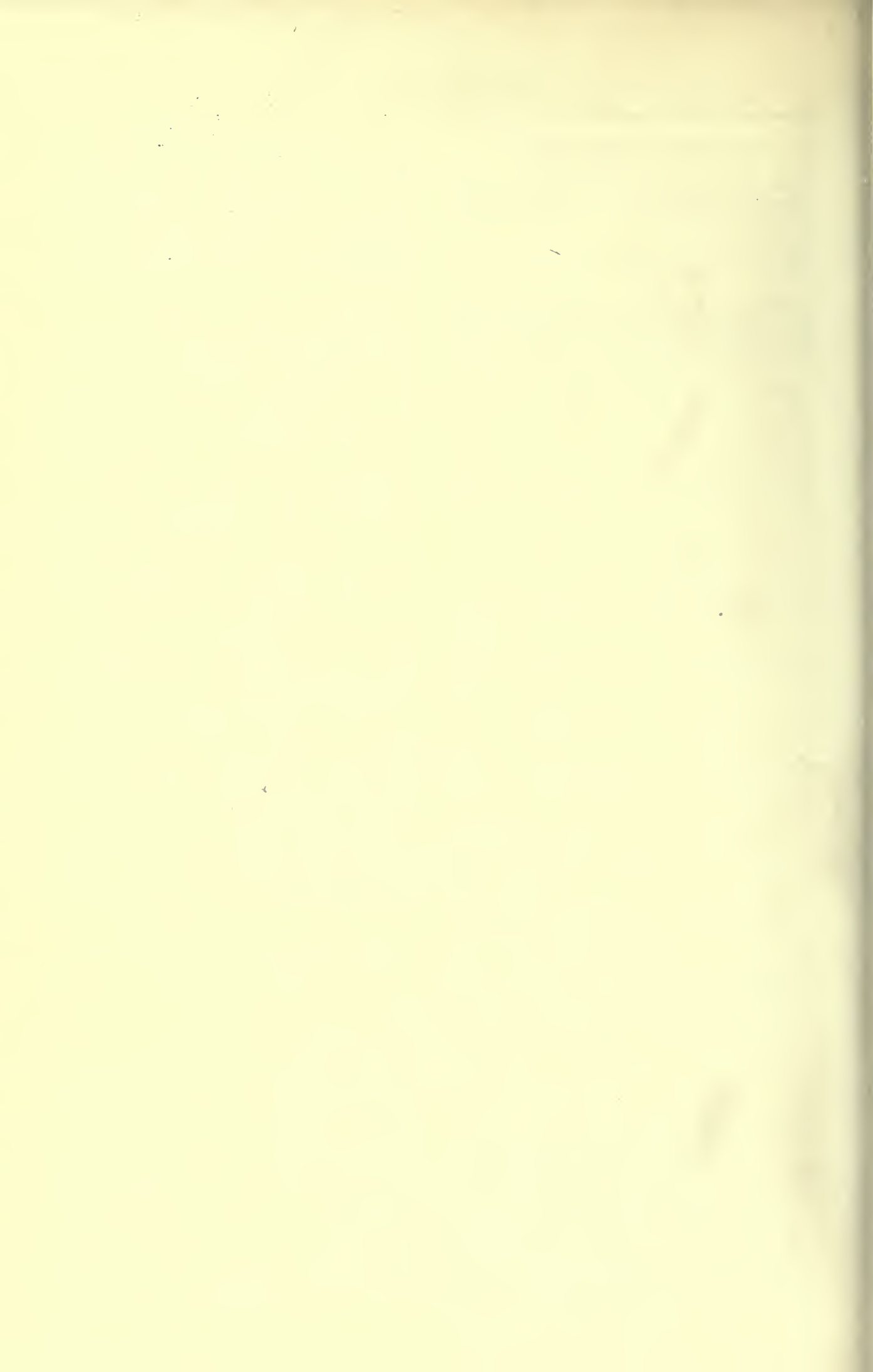
The House adjourned at 6.00 of the clock, p.m.

THE UNIVERSITY OF CHICAGO
CHICAGO, ILLINOIS
JANUARY 1, 1900
TO THE PRESIDENT OF THE UNIVERSITY
FROM THE DEAN OF THE FACULTY
SIR:
I have the honor to acknowledge the receipt of your letter of the 29th inst. and in reply to inform you that the same has been forwarded to the proper authorities for their consideration.

Very respectfully,
J. H. COVILLE
Dean of the Faculty

Enclosed for you are
two copies of the report
of the Committee on the
Faculty of the University
of Chicago.

Very truly,
J. H. COVILLE
Dean of the Faculty





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Wednesday, March 5, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, MARCH 5, 1958

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Clerk of the House: Mr. W. G. Noden, from the standing committee on lands and forests, presents the committee's first report and moves its adoption.

Your committee begs to report the following bills without amendment:

Bill No. 85, An Act to amend The Public Lands Act.

Bill No. 109, The Provincial Parks Act, 1958.

Motion agreed to.

Mr. Speaker: Before the orders of the day, I would like to extend a very warm welcome to the students from the A. N. Meyer collegiate institute of Stamford; pupils from the Parkdale public school in Burlington; Harmony public school, Oshawa; and from Whitney school in this city of Toronto. These students are present to view the proceedings and we welcome them very highly.

Mr. G. C. Wardrope (Port Arthur): Mr. Speaker, before the orders of the day, I would like to call the attention of the House to an article that appears in today's *Toronto Globe and Mail*, headed:

TOURIST INDUSTRY IN SLUMP.

I was concerned with the headlines, although I do not want to criticize the article in any way because I believe it serves to bring to the attention of everyone the fact that the tourist business does need assistance.

But, very definitely, Mr. Speaker, the tourist business in Ontario is not in any slump. From reports and statistics of The Department of Travel and Publicity, there is nothing to prove otherwise than that resort owners, some hotel operators, and motel and restaurant operators had a good year in 1957, and there is no evidence to indicate that the travel industry in 1957 even slipped.

On the other hand, reports indicate that 1957 was approximately 4 per cent. higher in volume of business than 1956, and almost equal to 1955, which was the record year.

Our reports are that Ontario continued in 1957 to receive about 60 per cent. of the total tourist volume of business that entered Canada; this average continues.

The reports are computed upon figures prepared by the Dominion bureau of statistics, Ottawa, based upon the number of travellers' vehicle permits of those remaining 48 hours or more, and also the volume of vehicles crossing into Canada.

In 1957, there were approximately 9 million car entries in Canada, of which about 5.5 million entered Ontario. This figure was higher, Mr. Speaker, by 4 per cent. than the total for 1956.

Our competition for the tourist dollar from various jurisdictions, including budget terms for buying airline trips, etc., increases, and to beat this situation The Department of Travel and Publicity, in 1957, stepped up slightly the volume of advertising and production of travel materials. Now this competition is being met by an increased budget for 1958-1959, which will provide a larger amount of advertising to be done in the United States and Canada as well as in Ontario, where the "Know Ontario Better" campaign is used in having our people get about the province.

The department also reports to me that, in 1957, the largest year in history was experienced in direct mail increase, most arising from their advertising campaign in the United States. Total direct mail increase was 164,000 compared with 150,000 in 1956, or an increase of 10 per cent.

What I wanted to get across and intimate, Mr. Speaker, was the fact that some of the facilities for tourist operators need improvement, such as making available loans of money, and other facilities that would allow them to increase their plants and make them more congenial and happy for the tourists coming into this province. With the completion of highway No. 17 and other things, we are going to get a tremendous tourist influx, and our operators should be in a position to increase the size and number of their plants

to take care of the many people who may come.

That was what I was getting at: something to improve these conditions. My remarks concerned things that I felt should be undertaken to improve the tourist business generally, and make it grow to be in the position it should rightfully be in, to take care of this tremendously increased business. But certainly I did not want to leave the impression that the tourist industry was in a slump.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, the hon. member has intimated that the tourist business is booming. I have read an article in the *Globe and Mail*, I imagine it is the same one to which he referred, and I would direct his attention to a couple of paragraphs in that article. It said that:

The committee instructed the department to give leadership in creating an Ontario tourist council which would co-ordinate the efforts of all tourist associations

This action followed 7 briefs which directed attention to declining revenues in the Ontario tourist industry, and stressed the difficulties of financing the operation.

Now either this article and the briefs that were presented to the committee are wrong, or my hon. friend's suggestion that the industry is in a booming condition, and that revenues are rising, is not according to the facts.

Mr. A. R. Herbert (Temiskaming): Mr. Speaker, I would like to add a few words to the remarks that have been made about the tourist industry. I do feel that this industry, which is a lucrative and a large one, should be given every assistance. I feel that perhaps some fund should be set up that would enable the operators to improve their facilities.

There are other provinces, I understand, that have such legislation. The tourist operators go to the United States on their own, and they build up a clientele which affects each and every one of us in this province. My district is a resort area for tourists, and many of my operators wish to improve their facilities, but our financial institutions today would not loan them the necessary money, unless it is guaranteed.

Mr. R. J. Boyer (Muskoka): Mr. Speaker, may I continue the discussion just briefly by referring to the remarks of the hon. member for Port Arthur, and the briefs which came before the travel and publicity committee yesterday morning.

In connection with the need which is said to exist, and which I firmly believe does exist for better credit opportunities for tourist establishments, I would like to say that I do not believe the people in the resort industry have any wish to ask the hon. Provincial Treasurer (Mr. Frost) to give them any grant, subsidy or gift.

There has been mention in one of the briefs, of a revolving fund, yet it seems to me that the resorts would be quite well satisfied with something in the nature of a guarantee for loans which would come through a bank or financial institution.

As it is at the present time, long-term loans are not forthcoming, because it is said that a resort is not a stable business, not being open throughout the year.

I cannot quite agree with that point of view. There is a great investment in these resorts which should be recognized. The part which these resorts play in the economy of our province is recognized and has been spoken of in this House. It is said that the tourist industry stands fifth among the industries of our province.

Now, Mr. Speaker, may I, without labouring this, point out to the hon. members that several years ago, in Canada, there was a system worked out of home improvement loans. These were for the purpose of giving employment, and the Dominion government guaranteed these loans. It seems to me that some similar system could be set up at the present time for the purpose of improving the tourist accommodation we have in this province.

Those who presented briefs yesterday had nothing but praise for the work done by The Department of Travel and Publicity in promoting and advertising travel to Ontario. But the facilities in the province should be of the very best order. Now if there could be some form of guarantee, which would give better credit to the people who would borrow money for the purpose of improving resorts, that would in a sense create employment. It would benefit the entire province, because so many of the materials come from other parts of the province than the actual resort areas.

Mr. Speaker, I had intended to refer this matter when I spoke in one of the debates, and perhaps at a later time I can say more on the subject. But, as this has been raised today, I urge upon the government the importance of improving the credit opportunities for the tourist resort operators of this great province.

Mr. Noden: I would like to have it placed on record that, at the committee meeting yesterday, I made the statement that I represent that part of northwestern Ontario where the tourist industry is an important segment of our daily life. I said that, in 1957, the industry never had a better year where business is concerned, and I felt that the industry required assistance from some loan organization to help them take care of the business expansion that is going to take place in the years to come.

Mr. Speaker: Orders of the day.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I move you do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to.

ESTIMATES, DEPARTMENT OF THE ATTORNEY-GENERAL

Hon. A. K. Roberts (Attorney-General): Mr. Chairman, before speaking to the various votes, I would like to state that this department has been expanding, and this expansion is reflected in the estimates. I would also say that I hope the House will pass the estimates, and if they do, I will say "thank you" for the financial requirements without which the contemplated expansion cannot proceed.

Mr. T. D. Thomas (Oshawa): What if they do not?

Hon. Mr. Roberts: May I also say, as this is the third occasion when I have had the honour to present the estimates of this department, that where we have a strong hon. Provincial Treasurer, as has certainly been the case both with respect to the present hon. occupant of the office (Mr. Frost) and in the case of his hon. predecessor (Mr. Porter); and with an inquiring treasury board; and with the very competent, expert and advisory group of public servants, consultants to that board, I can assure the House that the department whose estimates have run that gauntlet, can come before the Legislature with some reasonable assurance that everything it is permitted to ask for has reasonable justification.

If hon. members will permit me, I would like to pay tribute to the hon. gentleman who occupied the position of Treasurer of the province of Ontario for the last 2.5 years, until a month ago when he assumed the

highly responsible and dignified office of chief justice of Ontario.

Chief Justice Porter, better known to all hon. members of this Legislature as Dana Porter, entered the Legislature at the same time as I did, and he maintained a continued period as an hon. member of the Legislature from October, 1943, until early in February, 1958.

A tribute has been paid to his years of service by the hon. Prime Minister of the province, both in this House and on the occasion when the swearing-in ceremonies to the office of chief justice took place.

But before proceeding with the immediate business which I have to transact with the House today, I wish to add my words of respect and appreciation for the great service which hon. Dana Porter has contributed to the public life of the province and, of course, when I do that, I include the great assistance which he has received throughout that period from his very attractive, capable wife.

The somewhat sudden "translation" of Mr. Porter, a few weeks ago, has cast upon the shoulders of our own hon. Prime Minister the added duties of the office of Treasurer, but he has once again demonstrated to this House, and to the country, his almost unlimited capacity for work and mastery of provincial affairs.

Mr. Chairman, when exactly a year ago, on March 5, 1957, I presented the estimates of this department, sitting in front of me was the Deputy Attorney-General, Mr. Clifford R. Magone, Q.C.

Mr. Magone retired as Deputy Attorney-General at the age of 60 in May of 1957, after having been continuously in the employ of the government, and in The Department of the Attorney-General, for no less than 45 years. He was appointed on June 12, 1912, as a messenger in The Department of the Attorney-General at the salary of \$300 per annum.

It hardly seems possible, and yet it is a fact, that Mr. Magone was able to retire at the age of 60 and yet to have worked in this department for a period equal to half the number of years from Confederation through to the date of his retirement, and to have served under no less than 12 Attorneys-General and 10 Prime Ministers.

I am glad to say that the great talent and ability of Mr. Magone has not been lost to the government, and his services are from time to time employed in work, not only arising out of matters within the department which he served so long, but also in other

departments such as The Department of Agriculture and The Department of Labour.

Mr. Magone was succeeded by Mr. William B. Common, Q.C., as Deputy Attorney-General. Mr. Common has had a long and a very varied career in the public service of this province, and I am very fortunate indeed to have him as Deputy Attorney-General sitting here with Mr. Hugh Gourley, the accountant, in front of me at this time.

I am glad also to say that, not only was Mr. Common's appointment one of promotion within the department, but there have been several other promotions, demonstrating a policy which I believe to be in the best interests of the administration of justice, namely, promotion within the service where ability and devotion to duty and qualifications merit these appointments.

The department lost by death the services of a devoted public servant in the person of the late Clare P. Hope, Q.C., who, at the time of his death, was director of public prosecution, and that office has now been filled by Mr. William Bowman, Q.C.

The net increase in expenditures, as reflected in these estimates, over the estimates for the current year, amount to some \$1,393,000. This additional amount is required mainly for the following:

First, for general salary revision effective October 1 last, and also to provide for a one-step increase, effective April 1, for members of the staff who are eligible.

Secondly, authorized increase in strength of the Ontario provincial police by 100 uniformed personnel and 15 civilians.

Thirdly, for 8 additional probation officers.

As the hon. members of this House know, capital expenditures covering the purchase of sites, and the erection of buildings for strictly provincial purposes, is a matter solely within the jurisdiction of The Department of Public Works, and therefore, capital items are not reflected in any statement presented by me in connection with this department.

I think, however, it may be of some interest to the hon. members to know that I have endeavoured to obtain, in a general way only, an approximate idea of the capital expenditures involved in carrying out and maintaining the services of this department, and also in relation to buildings such as court houses and registry offices in the counties, which were, over the years, provided by the counties but which are occupied wholly, or in part, by officials of this department.

In round figures, the amount of capital invested is approximately \$31 million, of

which about one-half is evidenced by the 37 county court houses and the various registry offices and jails.

I might add that a recent rapid survey of construction, proceeding under The Department of Public Works on behalf of the Ontario provincial police, reveals that there are more projects involving construction going on at the present time than ever before. Some 65 separate projects are scattered through all of the 17 Ontario provincial police districts.

I have here a quantity of photographs showing the stages of construction of these projects, taken in the depth of winter, perhaps without intending that these would be taken as typical. These projects have been proceeding in an orderly and planned fashion and the pictures do illustrate how organizations can maintain a good level of employment throughout the year.

I do not intend to make any more extended remarks now, with respect to the various matters which this House is reviewing in these estimates. Rather, with your permission, Mr. Chairman, I will make my remarks as the various votes are called, as I have done on previous occasions, and as I feel some comments or explanations should be made.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Chairman, before you start on the individual items, will the hon. Attorney-General permit some general questions that are not applicable to any one particular division of the estimates?

Hon. Mr. Roberts: Yes, subject to the fact that I may possibly be going to deal with those points later on.

Mr. Wintermeyer: Sure, that is true. I have a number of inquiries that I cannot detail under any particular item, and with your permission, I might pursue those at this time.

Hon. Mr. Roberts: Might I suggest to my hon. friend that if he keeps track of what I say as I go along, I would be only too glad to pick up what is left over at the end, and in that way perhaps I will anticipate some of the accounts.

Mr. Wintermeyer: That is fine, as long as there is an understanding that we can make the general comments at the end.

On vote 201:

Mr. T. D. Thomas (Oshawa): On vote 201, item 12, there are compassionate allowances to the families of the late Judge J. McKittrick, the late Constable N. F. Maker, and to

others not entitled to superannuation allowances as authorized by the hon. Attorney-General.

Would the hon. Attorney-General tell us who they may be, or the number, or at least the names?

Hon. Mr. Roberts: Yes, I will be glad to answer that. Judge McKittrick was judge of the juvenile family court for the district of Thunder Bay, and was shot and killed while performing his duties. Constable Maker was also killed in the performance of his duties. The widows of both these men receive full monthly allowance. The balance is used to pay a monthly allowance to former employees of this department who are not eligible to contribute to the public service superannuation fund. The allowance is based on one-half the allowance they would have received had they contributed to the fund.

Is that sufficient? There are 15 in all, I believe, covered.

Mr. P. Manley (Stormont): Mr. Chairman, I wanted to bring to the attention of the House a certain case, and possibly it would be better done by the hon. member for Grenville-Dundas (Mr. Cass).

Some time ago, there was a constable shot in the town of Morrisburg in trying to prevent, I believe, a couple of chaps from getting away in a car. Now we realize that those smaller towns do have difficulty in getting policemen to take on those duties. Their financial position is such that they cannot possibly offer a wage that is comparable to what provincial police are getting, and it is quite a hazardous position.

Now, what is going to happen in the case where a constable is shot in a small town, where he is employed by that town?

In this case, this was a new Canadian who was shot and taken to hospital. His wife and family were on their way to Canada. Now it was not a very nice reception when she came off the boat. She was met by those people from Morrisburg. Her husband was in hospital at that time. He died a few days afterwards, and of course, the people of Morrisburg and surrounding districts went all-out to do what they could to provide a home for her, and collected a considerable amount of money on behalf of her and her family.

I was wondering if this fund is sufficient to look after cases of that kind, because I do not think it is the duty of a small town or a village to be placed in that position. They have difficulty enough in getting a budget to police their villages, but this man was going beyond the duties of policing the village. He

was helping to capture convicts who had committed a crime outside of the village. I was wondering if the hon. Attorney-General could comment on that.

Hon. Mr. Roberts: May I say to the hon. member for Stormont that it is my understanding—and I will check this if there is any question about it—that this constable and his heirs would be covered by provisions of The Workmen's Compensation Act, and that there would be provision in that way, which would be a normal protection for all the police officers. I think that is the situation, but if there is any doubt about that, I will be glad to have that checked for certain.

Mr. Manley: Further to the question, the workmen's compensation board, I believe, just pay according to a certain per cent. of the wage. Now, in this case, as I said, maybe the wage of that particular officer was not as high as it possibly should be, and it is going to penalize that family and that wife for their entire lives, maybe.

Hon. Mr. Roberts: I will look into the situation, now that the hon. member has drawn it to my attention. I will look into it and find out exactly what the arrangement is, what the family are getting.

Mr. Manley: Maybe, Mr. Chairman, if the hon. member for Grenville-Dundas would care to elaborate a bit more, he knows the case better than I do. It was just an example I had in this particular case.

Mr. F. M. Cass (Grenville-Dundas): I am fairly well aware of the circumstances surrounding that case, and I believe that it has not been drawn to the attention of the hon. Attorney-General because certain arrangements were made through the workmen's compensation board, as the hon. Attorney-General has said, and presumably also there is the allowance given normally to widows and their children.

It is a most unfortunate case, to which the hon. member for Stormont refers, and it is a case that I think will not suffer by the hon. Attorney-General looking into as he promised to do, and insuring that whatever benefit can be given to this lady and her children—who, I believe, intend to remain in Canada, and become good Canadians—should be given, and I would be very glad to take the hon. Attorney-General's assurance that he will look into it, and give him any assistance which I may.

I would also like to say that, so far as I know, this matter was not brought to my attention by any of the authorities concerned,

nor by the widow and her friends, other than to be advised that the matter was being taken care of in the ordinary course by the authorities concerned, namely, the workmen's compensation board and The Department of Public Welfare.

Mr. H. C. Nixon (Brant): I was going to ask the hon. Attorney-General a question with respect to item No. 4, Crown counsel prosecutions—\$28,000.

I am sorry I have not last year's estimates before me, as to what the vote was then, but I notice in the auditors' report the hon. Minister asked for a treasury board minute, and treasury board orders of \$12,000 of which \$11,844 was actually spent.

I wonder if there has been any change in the policy of the department with respect to appointing special Crown prosecutors, just what circumstances justify the appointment of such a special officer, and how frequently. Is it the gravity of the crime which necessitates such an appointment?

Hon. Mr. Roberts: I would say very definitely, it is the question of gravity. I think all of the cases involved here—or practically all of them—were murder cases and rather difficult ones, and senior counsel experienced in that field were engaged, and it was felt that it was necessary. I think in all there were only a small number, but they were rather difficult cases. One of them, I think, was the murder case at Sudbury which eventually ended up by an appeal, and went through the courts that way, and I think there was one at Brockville, and one in Pembroke.

Mr. G. T. Gordon (Brantford): Regarding the workmen's compensation board awards and costs, may I have an explanation of that figure? It is a small amount of \$1,000.

Hon. Mr. Roberts: Well, that amount is to reimburse the workmen's compensation board for medical and hospital expenses, and so on, awarded by the board to employees of this department who have been injured in the performance of their duty.

This department does not contribute to the workmen's compensation board directly, as in the case of other employers, and this helps to make good the outgoings in that way.

Mr. Gordon: In the case that has just been mentioned, of the constable who was killed in Morrisburg, does that cover cases like that?

Hon. Mr. Roberts: No. This relates to provincial matters, the other was a local municipal matter.

Votes 201 and 202 agreed to.

On vote 203:

Hon. Mr. Roberts: Mr. Chairman, I would like to make some remarks with your permission. In view of the great interest that everybody has in highway traffic safety, I would think it appropriate for me to make a few remarks here on what this department has been doing and proposes to do under this vote.

One of the fields which is certainly ripe for expansion is the field of local safety councils. Several councils have been formed during the current year under the leadership of the Ontario safety league, assisted constantly by both The Department of Transport and this department.

One of the ways in which this department seeks to assist the work of the local safety council is by supplying it with working tools, so to speak, in the form of latest information available on various subjects leading to safety, and in this connection the Ontario provincial police have a number of films and projectors and officers trained to lecture.

This equipment is also available to industrial and labour organizations having an interest in safety, as well as home and school clubs and other organizations. Above and beyond this, we are presently engaged in the preparation of a 20-minute 16 mm. film to promote the organization of community safety councils across the province.

The institution of the traffic court clinic, so important in influencing the driving public in the matter of defensive and good driving habits, has now reached the stage in Ontario where it is a recognized factor in traffic safety. There are now 32 actually in existence, with a number of others in course of organization.

Magistrate Johnston Roberts in Niagara Falls has 3 separate clinics functioning. Those in Hamilton and Kitchener still lead the way in going beyond the normal functions of a traffic court clinic and teaching safe driving to various groups.

Every one of the almost 50 magistrates who have attended traffic court conferences in the United States have come back high in their praise of the opportunity for studying traffic methods and other procedures in other jurisdictions, and exchanging views with the traffic court judges who are their counterparts in other parts of the world.

The magistrates of Ontario, at the suggestion of this department, have formed a committee to study matters of common interest to the magistrates and the public, and the first one of these subjects, that of the application

of uniform principles in passing sentence, is under study by them at this time. Only last Saturday the first regional meeting of magistrates at the instance of this committee took place in Toronto, at which some 37 magistrates attended.

The next meeting will be held in Sudbury, and subsequent ones in London and Ottawa. In this way, all magistrates in the province will have the opportunity of attending and benefiting by addresses and discussions.

The Ontario provincial police checked over 650,000 cars last year, issued over 220,000 warnings, and laid some 100,000 charges. They are spending more than 75 per cent. of their man hours, which includes a substantial amount of overtime, on traffic work.

The uniform traffic ticket is in force in all provincial districts in Ontario except in Kenora and Thunder Bay, and will be in effect there before the end of this month.

I think the House will be interested to know, under this question of safety, that a very comprehensive test in a 31-mile area has now been proceeding since February 1, with a view to ascertaining what constitutes the model number of police personnel and police equipment for a given heavily-travelled area to obtain the maximum results in traffic safety.

This experiment will be continued for many months to come, and I am hopeful that we will learn a great deal from it, and that the number of accidents in this particular area, which in the past have been high—11 people were killed there in last year—will be very materially reduced.

The area was not picked, I hasten to say, because of its bad record, but because of its suitability for such a test.

New equipment, particularly for use at night by the force, will shortly be "reflected" so all can see. But most important of all—to me I think it is the most important from a long range viewpoint—will be the research in the field of police contribution to traffic safety which we propose to institute as a permanent branch in the work of the Ontario provincial police.

Mr. Wintermeyer: Mr. Chairman, I am sure we are all interested in the comments that the hon. Attorney-General just made, and I do not think there is any doubt in the world but that it is necessary and desirable to carry on these education programmes. On the other hand, and separate entirely from that, is the leadership that we should expect and can expect from the hon. Attorney-General himself.

Now in this respect I would like to ask the hon. Attorney-General directly how his campaign has fared. Has the number of fatalities in the province of Ontario been decreased, in the course of the last year or two during the campaign? Also, what does he think of such things as have been suggested in this House in strict adherence to a licence suspension programme? Personally, I do not like this idea of breathalators and radar and unpainted police cars and the like. I think that, in this respect, we are way off base, we are not interested in catching people, fining people, we are interested in stopping them from speeding.

I think the best thing the hon. Attorney-General can do is to paint the police cars a distinctive colour so they can be recognized; have the car designed as a police car, and have them patrol the main thoroughfares. I know myself I have often been on the road, unconscientiously, I am sure the hon. Attorney-General has too—

Mr. Auld: Subconsciously.

Mr. Wintermeyer: Now, nothing is more disturbing than to have a police car patrol at the prevailing speed limit. A driver automatically lowers his speed. On the other hand, however, nothing infuriates me personally more—and I am sure it is the same with most people—than to go along at something in excess of the speed limit, even unconsciously, and have somebody come up from the rear in a car that is unidentified in any manner, and follow for 10 or 15 miles. The driver gets the impression: "Well, I am going along at the prevailing rate," and all of a sudden he hears a siren behind him, and he realizes that the driver following is a police officer.

Now that is wholly undignified, that is not the way to control traffic. I do not like it personally, and I do not like the idea of other methods that are being suggested, this use of radar and the like.

The thing to do is to get out and help people maintain their prevailing rates of speed, and if they abuse that, to take their licences away. Until the hon. Attorney-General does this, I do not think his campaign is going to be worth anything in reality. I would like to hear some of his comments in this respect.

Hon. Mr. Roberts: I do not want to get into a general discussion or debate on safety. I would be glad to do that at some other time before the House adjourns if necessary.

But I would just say this, that this is something on which we are all on common ground,

we are all interested in the saving of human lives, and the prevention of the maiming of people. How it can be done, or how best it can be done will, as long as human beings carry on the way they do, be a problem and a question mark.

I would point out to the House that The Department of Transport was set up a year ago, and when hon. members see the estimates for that department, they will see that there is contained an amount for a strenuous and worthwhile continuing campaign. In my view, it is The Department of Transport which should have been given the leadership as the governing department with respect to a good deal of this.

So far as enforcement goes, that is within the jurisdiction of The Department of the Attorney-General. We have representatives working in association with The Department of Transport, who meet with them as frequently as desired and needed. Those people try to co-ordinate the work as much as possible, and that applies also to education.

I have a number of ideas, and have given them publicly from time to time, and have spoken a good many times on this question. I feel that we have got to constantly keep studying it, and constantly injecting some new thoughts and ideas into it, to maintain constant attention.

Even after the campaign is all over, it may seem that we have not attained what we now hope in the way of end results.

The whole year that this campaign went on, when I first took some part in inaugurating it, it did show some definite reduction of accidents. The first month or two, when a very intensive campaign took place, showed quite a marked reduction. But you cannot keep up tempo of that sort indefinitely.

People are keyed up to meet an appeal at the moment, and we only hope that from time to time the general public will gain by experience, and gain by the knowledge of the dangers which exist, and do a good deal for themselves.

I do not want to say any more than that at the present time. I am certainly very much alive to this problem and I might say that for a long period—I am not doing it quite as much now as I have for the last two years—I have read in detail the death report of everybody killed on our highways, and a person lives with a lot of grief if he does that practically every day of his life. So I am not in any way aloof from this subject, I can assure the hon. member of that.

Mr. Wintermeyer: I would not for a moment suggest that the hon. Attorney-General is aloof from it, and I am sure he is personally very interested. But my complaint is simply this:

Sure, we want to educate the people and sure we are all desirous of keeping down the death rate. It is a platitudinous thing for all of us to suggest that we are in favour of reducing the number of accidents and deaths—that, we are all agreed on. The question is, how are we going to do it? And I merely respectfully submit to the hon. Attorney-General that thus far the campaign has not been successful.

On the other hand, I took the opportunity a few days ago to suggest that in Connecticut they have succeeded. And I think the distinction between the two efforts is solely in the fact that, in Connecticut, they have taken an iron hand in this particular respect and said what they mean. They said: "If you are caught speeding, your licence goes." And they have said that speeding is the cause of accidents.

Now, I am not one who would say that just because a motorist goes over 50 miles an hour, he should be fined and have his licence taken away. But the hon. Attorney-General knows and I know that in certain areas it is dangerous to speed, or go over a certain speed limit—now, in those instances everybody with common sense knows that.

What does the hon. Attorney-General think about cancelling licences and suspending them and meaning it in those respects? Why has he not done something about it? It is all right to talk about it, and we will talk about it for another 10 years, but I do not think, in all that talking, that we will carry out what I think is an immediately necessary programme.

I can be wrong, I am not sure, but from my personal investigation the answer is as simple as 1, 2, 3. The hon. Attorney-General has to get tough, and the only way to get tough is to take away licences.

People will not stop speeding to save their lives, unfortunately, that is human nature. One can preach from now to doomsday, but everyone thinks he is the exception, but the one thing he does not want to happen is to have his licence taken away. And until this approach is made and is meant, and brought about in an effective way, the hon. Attorney-General will not make any substantial contribution to accident prevention.

Hon. Mr. Roberts: I appreciate the views of the hon. member on that. I will say that perhaps he was so preoccupied yesterday, in

the preparation for his address, that he did not hear the remarks of the hon. Minister of Transport (Mr. Allan) when I think he indicated action in the future and near future along the very lines the hon. member has mentioned.

Mr. Wintermeyer: The thing is, what does the hon. Attorney-General think about it? Is he going to do it?

Hon. Mr. Roberts: Well, there is no question about the enforcement end of what the law is, and I am sure that nobody—

Mr. Wintermeyer: Is the hon. Attorney-General going to start suspending licences in a realistic fashion?

Hon. Mr. Roberts: Of course, any question of suspension of a licence, so far as the enforcement branch is concerned, is in the hands of the magistrate.

Mr. Wintermeyer: But is the hon. Attorney-General not the man who must give leadership?

Hon. Mr. Roberts: I can do nothing in respect to that.

Mr. Wintermeyer: But that is an acknowledgment of defeat.

Hon. Mr. Roberts: I said a few moments ago that we were endeavouring to get the application of uniform principles in sentences studied very carefully by magistrates, but the question of suspension of a licence under The Highway Traffic Act is one on which, as the hon. Minister here has already indicated, a lot of work has been going on in The Department of Transport. As I understood him yesterday, he is coming along with some very definite recommendations.

Mr. R. Whicher (Bruce): I, too, have been very interested with the remarks, not only of the hon. Attorney-General, but of my colleague for Waterloo North, and I would like to approach it from a slightly different angle as far as enforcement goes. Now, the hon. Attorney-General has said this year they have taken 100 additional uniformed provincial police on the force—

Hon. Mr. Roberts: We have taken more than that this year. We have the authority to pass this budget for another 100 starting April 1. I think the number who were taken on this year was 160, or something like that.

Mr. Whicher: Well, I am not at all sure that is enough by any means, because I think, if we are going to have traffic safety, that we

need policemen to be sure that the traffic on highways of this province is safe. And when we think of the 100 additional uniformed police, and realize that perhaps they only work for approximately 40 hours a week or thereabouts, why really it means there are only an additional 25 policemen on duty at any one time—25 additional policemen on duty across this whole province.

I suggest to the hon. Attorney-General that this is not a great number by any means, and I suggest in comparison to the percentage of automobiles and trucks in this province, that instead of increasing the police force on a percentage basis, we are going behind.

Now I do not know how many policemen he needs, but I do suggest that he does not have enough.

And I am in perfect agreement with my hon. colleague from Waterloo North when he states that one of the primary reasons for the automobile accidents and casualties in this province or anywhere else is because people drive too quickly. And until something is done by The Department of the Attorney-General to make the penalty severe enough so people will stop driving at a terrific rate of speed, then these accidents are going to continue.

I further suggest this. Perhaps hon. members might think this would be said jokingly, if it were not such a serious subject. But there is one other cause for accidents in this province, and there is no doubt about it at all. The first one is speeding, and the second one is that there are too many drivers who are having alcoholic beverages while they are driving cars. If we could eliminate the speeders, and if we could eliminate drinking drivers in this province, I suggest that the automobile casualties would be cut to a very, very small percentage.

It is all very well for the hon. Attorney-General to pass the suggestion over to the hon. Minister of Transport, and we are going to hear what that hon. Minister has to say. But the people of this province want to know what the hon. Attorney-General is going to do, because all of us feel there are far, far too many accidents, and the hon. member for Waterloo North and myself are suggesting now that two of the primary reasons for accidents in this province are, firstly, that we go too fast; and secondly, that there is too much driving done by drivers who have been drinking.

I would like to see some teeth put into the law because it may be, as the hon. member for Waterloo North says, we all think we

are the exception, we are not going to lose our lives, but the brutal fact is that there are many, many people who are killed or severely maimed on the highways of this province over any one-year period, and we would like to see something done—teeth put in the law—so these drivers who are a menace to the highways are forced to cease driving.

Hon. Mr. Roberts: Well, I do not want to labour the point, but the question of putting teeth into the law is not the whole question. The whole problem is much broader and much deeper than that. But to the extent that any of us can do anything to help solve it, why we are all on common ground.

An hon. member: Taking the beer out of the bottles.

Mr. Nixon: May I ask the hon. Attorney-General a question? A couple of years ago he made some effort to find out what railway crossings in the province were particularly dangerous, and what might be eliminated by grade eliminations, and also where warning signals might be erected. I wonder how successful his efforts in that regard were. Has the hon. Attorney-General any records as to the number of railway crossings that had warning signals erected, and if there were any cases of grade elimination?

Hon. Mr. Roberts: I appreciate what the hon. member for Brant refers to, because I know he had several problems in his own area. The hon. Prime Minister has given me the information that there are 3 actively under construction in the area of his home town, so that there is some activity going on throughout the province. But the fact of the matter is that such efforts did, I think, shake down the then Liberal administration in Ottawa so that they made available several times the amount of money—and I give them credit for that—than they had been making available before.

Subject to these people distributing that across the country, I think we have been getting a reasonable proportion of it in the province of Ontario. But still the question of catching up with level crossings is just one of those further problems. With the growth that is going on, and with the number of new roads that are being built, and the number of new crossings being constructed, it is a pretty difficult job to get ahead of the game.

Mr. Nixon: Does the hon. Attorney-General not think we should start out by laying down the rule that certainly no new level crossings on important highways should ever be tolerated?

Hon. J. N. Allan (Minister of Highways): Mr. Chairman, perhaps I could bring a little light to this. I may say that we were so energetic in our elimination of level crossings, during the last year, that the entire amount of money of the federal government was used up. As a matter of fact, in Ontario we used much more than our share. We used the share that belonged to other provinces because the other provinces had not gone along with the work and did not require the money.

However, with that excellent government that is now at Ottawa, the fund has been increased from \$5 million to \$15 million, and hon. members may be sure that in The Department of Highways and in supporting municipalities, we are going ahead with the elimination of level crossings at a much greater speed now than was possible before.

Mr. Manley: Mr. Chairman, we are all very much interested in this safety programme and the results that have been obtained over the last few years.

Of course, for some comparison to see how successful this campaign has been, I would like to ask the hon. Attorney-General at this time just how many people were killed in each of the last 3 years on the highways of the province of Ontario, and what the amount of property damage was for each of the 3 years. That will show whether or not we have been successful in this campaign on safety.

Hon. Mr. Roberts: In reply to that question, I would say that I was not at all happy with the 12 months of 1957. I forecast some 10 weeks, I think, before the end of the year, that at the rate we were going we would end up with a worse number of fatalities in 1957 than in 1956. Actually, we did, and I think it was something like—would it be 5 per cent?

Hon. Mr. Allan: Just the slightest bit above the year before, and in comparison to the traffic figures, I think it will be down.

Hon. Mr. Roberts: Well, my hon. friend and I have a difference of opinion on the question of comparison with anything. I take dead people and count them as dead, and I say that, at least, we should have the objective to lower that number, I do not care how many cars there are on the road.

My approach on that is to say I am sorry we did not do any better than we did.

But I also want to say that nobody can point the finger at anybody else in this problem. That problem starts right at the local municipality—and I think there is a good one in Waterloo North and in Waterloo South because I see my hon. friend showing

attention at once—I would say equally good in Waterloo South. Give the necessary concentration, give the necessary leadership at the local level, and we will do a lot to scare, if nothing else, drivers from doing anything but what is proper in that area.

Now that is the grass-roots beginning of it, and without that kind of co-operation, the further we get away from the problem the more difficult it is.

I only say that, in relation to this, that just a few days ago one of the leading senators in the United States announced that he was going to introduce, into the senate, a resolution to start to form what he called a “president’s committee”—they have some sort of a president’s organization there already—but a president’s committee to take full responsibility for co-ordinating this effort to avoid all the duplication that is going on, and thus get a real concentrated effort all along the line. I have been advocating a similar sort of thing for two years on this side of the line.

Mr. Wintermeyer: The hon. Attorney-General is the only man who can do it. Why does he not?

Mr. Roberts: Well, I thought we made progress last year when we reported that we had this new Department of Transport, which I think is going to show very definite results. If it does not show definite results, I will be the first one to start pointing a finger at it.

Mr. Manley: The hon. Attorney-General has run all around my question. I asked him how many people were killed on the highways of the province of Ontario, for each of the last 3 years, and what the property damage was in dollars and cents. Now if he has not got the information, I think the House should—

Hon. Mr. Roberts: I have that information—

Mr. Manley: That is the only way he can measure the success of this campaign.

Hon. Mr. Roberts: That is a question that I think we would have to take time to get the correct figures on. I know that the figure was 856 on the highways over which the Ontario provincial police had jurisdiction last year, and it was increased, of course, by cities and all the rest, up to over 1,000. But if the hon. member wants the exact figures, I would have to get them because I do not carry them in my mind.

The question of property damage is one of calculation and estimate, but it is substantial, there is no question about that.

Mr. Manley: Well, Mr. Chairman, will the hon. Attorney-General promise to give the House this information? I think it is important.

Hon. Mr. Roberts: Well, I gave it last year and the hon. member will find it in *Hansard* last year. I will get it again before the House rises, and I will put it on the record again, if he would like it, for this year. I also think it is important.

Mr. Whicher: Mr. Chairman, I notice the appropriation has been cut. Last year it was \$122,000, and this year it is down to \$60,000. Can we take, from those sums, that this programme has not proven itself? That it has not been effective in doing what it was set up to do in the first place?

Hon. Mr. Allan: No. The Department of Transport has the main carriage in this, and we were handling only certain parts of it, certain advertising, certain parts in connection with local councils, certain parts in connection with lecturing and providing people to go out and demonstrate, and the other things which I mentioned earlier in my summary. We found from experience that if we kept to that work, and The Department of Transport kept to certain other lines, we would hope to get a better co-ordinated effort. That is the reason for it.

Mr. G. Innes (Oxford): Mr. Chairman, the hon. Attorney-General stated most emphatically that he believes this safety programme should start from the level of the local municipality and, to some extent, I agree. But I suggest most strongly that there is no more deterrent to accidents than those white and black cars that drive up and down highways of the province of Ontario. Now I would like to know this. How many provincial police has he, and how many of them are actually patrolling the highways of the province?

Hon. Mr. Roberts: The hon. member will get that in a few moments under provincial police.

Mr. A. J. Reaume (Essex North): I would like to ask the hon. Attorney-General if they are making any effort to make a survey of the narrow bridges on these main highways that are running throughout the province. We have several in our county, one right on highway No. 2, and another one north of the county.

Now we have made wonderful progress on the highways, and these bridges are still there as they were originally, and the ap-

proaches to them are wide. The driver comes up to these bridges, and only one car can pass through them. Now I want to know if there is any survey being made, any study along safety lines. I ask because I think it is most important.

Hon. Mr. Allan: Mr. Chairman, I might answer that question, and I might say to the hon. member for Oxford, as I said to the hon. member for Waterloo North, that if he would read the plan that we have prepared so carefully and so diligently, he would have all that information in that plan. We will tell him the number of bridges that need to be replaced, and we are replacing those as speedily as it is possible to do so. Every person thinks that, because he has one narrow bridge in his area, that it is the only one in the province.

But I have forgotten the number. I do not have my study here but I think it is about 2,000 of those bridges in the province, and it does take some time. The problem is recognized, and certainly the bridges are being replaced as fast as it is possible to proceed.

A great many of those bridges, of course, are on municipal roads.

Mr. Chairman: Let us stick to The Department of the Attorney-General.

Mr. Innes: I think this concerns the hon. Attorney-General's department. It has to do with safety, and I think that safety is involved in the existence of these narrow bridges in this province. I would think that the accident-prevention department has the figures on how many accidents occur at these narrow bridges, and it would be to the safety committee's benefit to inquire from this statistical branch and find out which of these bridges should be eliminated first, and not just take them anywhere hit-and-miss across the province. If there are 10 people killed at a certain bridge, I think it should have a preference.

Hon. Mr. Roberts: I would say very definitely, in all the work that our police have been doing in connection with accidents, there has been a liaison right along with the engineers of The Department of Highways, and I myself on occasion, when I have been out in the country, have noted certain things that have been brought to my attention, and I have taken them up at once with the department, and asked them to send engineers out there and take a look. I mean, that is going on all the time.

Mr. Reaume: If the engineers are out having a look, I want to say that it is pretty near time that they were out, because up our way about half of the accidents which occur on our streets, or the highways of the province, are actually caused by holes in the road.

So that is fine. If the engineers are out, tell them to come up to our part of the country, and they will find up there that the roads and highways of the province have not been touched. Now, I have one road in mind in particular. It is highway No. 39. I do not think, now that the hon. Attorney-General is speaking of The Department of Highways along with his, that they have poured a spoonful of tar on 15 miles of road since I have been a member for that area.

Hon. Mr. Allan: We are waiting for a new hon. member.

Mr. Reaume: I did not hear that.

Hon. Mr. Allan: We are waiting for a new hon. member.

Mr. Reaume: There will not be a new hon. member. I am coming back again.

Hon. Mr. Allan: We will put the tar on then.

Mr. Reaume: Let the hon. Minister put it on now.

Hon. Mr. Dunbar: The hon. member is going out with Paul.

Hon. Mr. Roberts: Well, I must say it is nice to hear from the hon. member. I thought he was held up, not by holes in the road, but by snowdrifts.

Mr. Reaume: Well, I do not know who is holding up the hon. Attorney-General. But I will say this, that if it was not for the fact that the hon. Prime Minister (Mr. Frost) holds him up, he would fall down.

Mr. Gordon: Mr. Chairman, I would like to ask the hon. Attorney-General if he has looked into the possibility of having a more sure answer to the difference between impaired driving and drunken driving. Does he have a prescribed definition between impaired driving and drunken driving?

Hon. Mr. Roberts: Those both are offences under the criminal code. Taking a look at the statistics and the results, I do not have any particular quarrel at the present time with the wording of the two sections.

Mr. Gordon: Mr. Chairman, under this traffic safety programme, we all know what it costs to advertise in our local newspapers, and all the hon. members here know what it costs to advertise when they are in an election campaign. So I look at this amount for \$12,000. Just how much advertising does the department do for \$12,000 in connection with a traffic safety programme?

Hon. Mr. Roberts: Well, I might say that this, of course, does not represent the whole advertising across the board on safety, by any means. But it did represent the amount of advertising that was done on certain special occasions, 3 or 4 times, I think, in some of the daily and weekly newspapers, in relation to some special safety effort at that particular time. I think the latest one was in connection with rural safety week a couple of weeks ago.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Chairman, almost all the relevant questions have been asked, so I will ask what might be termed irrelevant, the opposite to that.

I wanted to ask the hon. Attorney-General two things in respect to the vote itself. The vote this year is for \$60,000, last year it was for \$122,000.

Now, the hon. Attorney-General says that much of this work is being transferred to The Department of Transport. Now, what justification, I ask the hon. Attorney-General, is there for a continuance of this vote under the hon. Attorney-General's department? If it is being transferred to The Department of Transport, why should it not all be transferred there?

He said just a moment ago that certain special programmes or certain special broadcasts were under his department. Why should they not all be under The Department of Transport, because the way that this vote has dwindled in the last year, suggests that either he is not conscious of the work that the traffic safety programme can do, or else that he is, by a process, putting it over into The Department of Transport. Now if he is going to put some of it over there, why not put it all over?

Hon. Mr. Roberts: Well, I do not think that is quite the effect. Actually, when we asked for certain funds we did not know exactly what we needed, and we asked for what we thought would be sufficient. Our experience from what we did the previous year, on the amount that was required, was actually nearer what we are asking for now than what we asked for a year ago.

We spent something like \$65,000 out of the amount that was voted last year. This year we are asking for \$60,000, but I am quite convinced that the type of work that is going on in the enforcement end of this safety programme, does require financing along these lines, and I think it would be a great mistake to eliminate it. It is strictly in the enforcement field, working in conjunction with The Department of Transport.

Vote 203 agreed to.

On vote 204:

Hon. Mr. Roberts: Mr. Chairman, in relation to this, it may be of some help to the hon. members who are following the votes, that votes Nos. 204, 205 and 206 were formerly known as "supreme court of Ontario," and they have been broken down for a little more particularity.

Mr. Wintermeyer: Mr. Chairman, I added the 3 together, and there is a substantial difference between last year and this. Could we have an explanation of that?

Hon. Mr. Roberts: I think the difference is made up chiefly in the amount of equipment that has been purchased—some micro-filming equipment to meet this new process, as hon. members know, of keeping records with much less space requirements than formerly, and dictation equipment.

I might say that the supreme court judges, both in the appeal and surrogate courts, feel that dictation equipment is a very great assistance to them, and we have been adding a quantity of units each year in the last couple of years to make those facilities available to assist them in their work.

Votes 204 to 208, inclusive, agreed to.

On vote 209:

Mr. Wintermeyer: Mr. Chairman, may I ask the hon. Attorney-General whether this is a new office, is this an office that was created by virtue of recent legislation?

Hon. Mr. Roberts: I was just going to say that the director of titles is a new office, and he is charged with the responsibility of administration of all land title matters throughout the province, formerly administered by the respective legal offices. It was felt that the person who was in that field exclusively could deal with the problems in a much more intelligent and expeditious manner.

Mr. Oliver: Whose \$65,000?

Hon. Mr. Roberts: Well, it is distributed amongst several. The master of titles—the director of titles—gets a portion of it, and two or three of his staff get parts of it. The staff is actually at the main office of the master of titles here in Toronto.

Vote 209 agreed to:

On vote 210:

Hon. Mr. Roberts: Mr. Chairman, I am going to make a remark on vote 210. I think the hon. members of this House will share my satisfaction in the fact that the laboratory of the Attorney-General ranks very high among the laboratories of a similar type, on this continent, with respect to space, equipment, personnel, and application of laboratory methods. It is now housed in much better quarters than previously.

Requests are received almost daily about various phases of "lab" work, from other laboratories in Canada and many in the United States, England, Sweden, Australia and Japan.

The case load handled by the staff of this laboratory has increased by the rate of 25 per cent. each year.

Last year, the staff conducted over 1,900 examinations. Approximately half of these cases involve alcohol determinations in connection with cases of murder, assaults and driving while intoxicated or impaired. The other half of the cases involved examination of a wide variety of materials, bloodstains, bullets, powder markings, paints, and so on, and the identification of these materials supplies law enforcement officers with information which often results in convictions, modification of charges, or a new line to follow when investigating a crime.

Vote 210 agreed to.

On vote 211:

Mr. Manley: Mr. Chairman, this—oh, the hon. Attorney-General wants to speak? Let him go ahead.

Hon. Mr. Roberts: I want to make some comment on vote 211, because I think this is a very important work, and one in which the government can take justifiable satisfaction in the progress which has been made.

The amazing growth of probation services in this province is evident from a comparison of the situation in 1953, at which time the government put into effect its plan of increasing probation service.

In 1953 there were 13 provincial probation officers serving the criminal courts in 4 cities only: Toronto, Ottawa, Hamilton and London. At the present time, there are 118 provincial probation officers serving criminal courts in all but one of the 48 judicial jurisdictions within the province.

During 1957, 30 probation officers were appointed to the provincial staff, 12 being replacements and 18 being new appointments, and as I indicated at the outset there will be 8 new probation officers appointed this year.

This increase in the provincial probation staff has encouraged the forming of juvenile and family courts so that the number of such courts total 49. These courts enable the most modern methods to be used in dealing with delinquent children. In 1957, over 4,000 such children were under official probation supervision of the juvenile courts, while well over another 4,000 were counselled by the probation staff without formally appearing in court.

In addition to counselling children, the probation staff counselled over 30,000 cases involving marital discord. From these figures it will be seen that an important part is played by probation officers in striking at one of the major causes of juvenile delinquency, the broken home.

The development of probation services is also justified from a purely financial standpoint. During the past year, some \$2.75 million was collected by juvenile and family courts from deserting husbands and fathers, and paid to these men's dependants, thus effecting a considerable saving in terms of public welfare. Over \$60,000 was collected from adult offenders by way of restitution and return to the aggrieved parties.

In addition, it is estimated that 8,500 adult offenders on probation, who were all gainfully employed during their probation period, earned about \$15 million which was channeled back into the economy of the province.

Mr. Manley: Mr. Chairman, how many did the hon. Attorney-General have on probation who broke probation rules or had to come back again to the courts? Does he have that number?

Hon. Mr. Roberts: I might be able to get some idea of that from the director of probation services if that could be ascertained. Does the hon. member want the number who have broken parole in 1957?

Mr. Manley: On probation.

Hon. Mr. Roberts: I will get that perhaps before I go.

Mr. Manley: While that information is being sought, I would like to ask a supplementary question of the hon. Attorney-General, and that is, does he think there are sufficient probation officers in the province at the present time, and if it is his intention to continue to add probation officers throughout the province?

Personally, I think it has proven out very well, and that they have been a wonderful asset to the province, not only from a personal point of view but for the amounts of money that have been saved, as was pointed out earlier. Therefore, I would like the hon. Attorney-General to comment as to how many more probation officers he thinks should be added to carry out the service effectively in the province at the present time?

Hon. Mr. Roberts: Well, I would say in answer to the hon. member's question that we have been moving along what was really a planned economy—I was going to say a planned economy in probation—if you want to put it that way. But back in 1953, when the service was instituted, there was a 5- or 6-year plan laid out by the director, and we have been moving within it and fairly close to those original estimates, and we are now just reaching the end of that particular plan.

I have no doubt that the active type of gentleman, who is director, will have ideas at least for a further expansion, but I must not only deal with him, I must also deal with the hon. members of this House, and there are some different viewpoints on how far we should go in this field. But we feel, in this particular allowance this year, that we are making some further progress in line with the plan.

Mr. Manley: Mr. Chairman, could the hon. Attorney-General give us any indication as to what the case load is of each one of those probation officers at the present time?

Hon. Mr. Roberts: Well, I do not know what would be termed a "case load." They talk of case loads to me from time to time, but I think it is within the ability of these people to do their jobs, most of them get their work done within the period.

There may be a few cases where they are overloaded, but we do not have to leave this building to find people who are overloaded. I think that is the sort of situation which comes and goes, depending on the volume of work. I am not too impressed with the problems of overloading and case loads myself, I think we are making good progress.

Mr. Wintermeyer: Last year, I believe, this was a statutory vote, now this year it

seems to be needed to be voted on. Now, can the hon. Attorney-General give us an explanation for the change?

Hon. Mr. Roberts: I am afraid I will have to ask the hon. member to repeat that question.

Mr. Wintermeyer: Last year, I believe, this particular vote was a statutory vote, or at least as far as I can gather. This year it is not. Now is there an explanation?

Hon. Mr. Roberts: It was at the suggestion of the treasury board that the vote was brought in, in this manner, this year. The Act has accordingly been amended.

Mr. Wintermeyer: The Probation Act?

Hon. Mr. Roberts: Yes.

Vote 211 agreed to.

On vote 212:

Hon. Mr. Roberts: Mr. Chairman, I wish to make some remarks too about the fire marshal's office. We have so many interesting branches in this department that I do not want to leave any of them out, now that we are dealing with them.

A few remarks regarding the general history of the fire marshal's office would be of interest to the hon. members of this House. The office was organized in 1916 to investigate incendiary fires, and was considerably expanded in 1921 to carry out fire prevention activities, such as fire inspections of buildings and advising municipalities on their fire departments.

Some 14 years ago, the administration of The Fire Departments Act was transferred to the fire marshal's office.

One of the most important developments in the entire history of this office took place in August, 1957, with the purchase of premises near Gravenhurst for the use of a residential fire college. This is the first residential fire college established anywhere in Canada. It has a great deal of work to do.

I think it is of real interest to know that it reflects perhaps, in the very purchase of the ground, some wonderful research work that has been going on in the field of tuberculosis, because we are using certain buildings formerly used by the national council of tuberculosis, but are no longer required by them, because of the fact there are far fewer bed patients than formerly using those facilities.

The property itself covers some 92 acres, and has 6 existing buildings which will

accommodate some 30 students at a time. The courses will run from May to October, and cover training in different phases of fire department operation.

Fire research will also be carried on at the fire college, particular attention being given to the testing, under Canadian weather conditions, of new developments and fire fighting techniques. For example, at present, research is being carried out on a new type of plastic hose used extensively in Great Britain and Europe.

Under the supervision of the fire marshal's office, a mutual aid system has been built up in the 38 counties of the province, based on hose tread standardization. The extension of this mutual aid system made available for civil defense a total of 350 fire pumpers.

The fire marshal is responsible for developing civil defence fire training throughout the province, and a few weeks ago the fire marshal was named by the hon. Minister of Planning and Development (Mr. Nickle), as associate civil defence co-ordinator for the province.

Under the 1957 regulations to The Fire Marshal's Act, the new advisory committee to the fire marshal's office was authorized. This committee consists of two representatives from the Ontario mayors' association, one municipal fire chief, the provincial president of the fire fighters' union, two representatives from the fire insurance field and two representatives from the general public. It not only gives valuable advice and policy, but reviews proposed legislation.

Mr. Thomas: Mr. Chairman, would the hon. Attorney-General say that there are some areas, in the province of Ontario now, that do not have these uniform couplings? Are some of them still without the uniform couplings?

Hon. Mr. Roberts: They are all uniform now. I have the fire marshal in the wings, and he indicates that I am giving the right answer.

Vote 212 agreed to.

On vote 213:

Mr. Oliver: I would like to ask the hon. Attorney-General if there has been an increase in the tax on insurance premiums, which is ordinarily construed as being the revenue for the fire marshal's office. The increase is from $\frac{1}{3}$ to $\frac{2}{3}$ of one per cent. Now, what has been the increase in revenue?

Hon. Mr. Roberts: The increase in revenue will run somewhere from \$220,000 or there-

abouts to \$450,000, but the extent of the work, and the work in connection with the college, fire college and so forth will involve an additional expenditure.

Might I, while I am on my feet, just say that this figure has been handed to me. During 1957, some 1,290 violators—this is on the probation question—were reported to the court. Of these, 748 were ordered by the court to appear and were sentenced.

Vote 213 agreed to.

On vote 214:

Hon. Mr. Roberts: Mr. Chairman, the work of the Ontario securities commission has materially changed during the past few years. In the 1920's the operation of bucket shops appeared to be the main problem. Ten years ago, industrial issues were second.

In the calendar year 1947, some 114 industrial issues were accepted for filing as against 109 mining and oil issues. Today, it is also to be noted, there is a definite trend towards large-scale financing on real estate ventures including shopping centres, which present many complicated problems.

While fraud, relating to securities, generally speaking has not materially increased, it would appear that the pattern of investigation by the commission has become more complicated and extensive, requiring increased staff and the insuring of additional administrative expenses.

A dangerous pattern has developed by operators, often outside the jurisdiction of the Ontario securities commission, getting control of Ontario companies having substantial liquid assets, and siphoning off these assets through improvident acquisition of properties and the purchase of questionable securities. Extensive and complicated investigations have been made in respect to the following companies:

Bunstun Mining Co. Ltd.	Charges of theft laid.
Micre Co. of Canada Ltd.	Fraud charges laid involving one Peter Crosby.
Cabanga Development Ltd.	Theft and fraud charges laid.
Triton and Uranium Mines Ltd.	Charges—false filing.
Can. All Metal Exploration Ltd.	Charges laid.
Brilund Mines Ltd.	Under investigation.
Burchell Lake Mines Ltd.	Under investigation.

Mr. Whicher: Mr. Chairman, would the hon. Attorney-General say if those were stocks listed on the Toronto stock exchange?

Hon. Mr. Roberts: Some of them, but not all of them. A number of them were.

Mr. Whicher: How many were delisted from the Toronto stock exchange last year? How many stocks?

Hon. Mr. Roberts: Well I cannot tell the hon. member how many in all, but I can say this, that quite recently the Toronto stock exchange has shown considerably more interest in solving the very problem that has been brought out by some of these investigations. It has, as perhaps my hon. friend has seen by reading the papers a few weeks ago, put into effect certain requirements with respect to certain types of issues. Definite information must be furnished when substantial sections of the assets of such companies are being moved out, or control is changing, or various things of that sort. The problem, of course, is not confined to listed issues by any means.

Mr. Oliver: The hon. Attorney-General intimated that charges were laid in several instances for violation. In how many instances were they able to make the charges stick?

Hon. Mr. Roberts: Well, these that I have mentioned are all pending cases, I just mentioned them because they relate to the subject matter I was referring to, that of evidence of siphoning off assets and that sort of thing. There are 7 cases, listed here, where charges have been laid, and the matter is before the courts at the present time. There are two cases under definite investigation.

Vote 214 agreed to.

On vote 215.

Hon. Mr. Roberts: This is the vote on the inspector of legal offices, Mr. Chairman. As the name implies, the inspector of legal offices is responsible for the administration of all legal offices in the 48 counties and districts of the province. That includes the offices of magistrates, Crown attorneys, sheriffs, local registrars of the supreme court, court clerks, clerks of registrar, juvenile and family courts, and division courts.

The increase in the volume of work in all these offices reflects the continuing growth of Ontario. As a lawyer, I have derived great satisfaction from the fact that the responsible offices of magistrate and Crown attorney are attracting able young lawyers perhaps as never before. Of the recent appointments to these offices, 4 magistrates, 4 Crown attorneys, and 5 assistant attorneys are under the age of 40 years.

Mr. Wintermeyer: With respect to item No. 5, that is "salaries of Crown attorneys," that

figure is substantially up from last year. Now, is that indicative of the fact that more and more Crown attorneys are being put on direct salaries?

Hon. Mr. Roberts: I shall just get the exact number.

Mr. Wintermeyer: It is item No. 5.

Hon. Mr. Roberts: That certainly is the tendency, to put on salary those who are on fees, where they are in jurisdictions whose business warrants them being on full-time salary.

Mr. Wintermeyer: Can the hon. Attorney-General tell us what percentage of the magistrates are on fee basis at the present time, and what percentage of the magistrates in the province are paid on a direct salary basis?

Hon. Mr. Roberts: Magistrates? All magistrates are!

Mr. Wintermeyer: No, I am sorry, it is Crown attorneys.

Hon. Mr. Roberts: The actual figure on Crown attorneys—I think the figure is 20 who are on fee basis, the balance would be on full time. Within the last few months, 3 have come over from a fee basis to full time, and there is a resignation in the case of one who did not feel that he could afford, at his age, to give up his practice and come over on a full-time basis. Whoever is appointed to that particular position will be on a full-time basis. We are moving in that direction quite rapidly.

Mr. Oliver: What about sheriffs and registrars of deeds throughout the province, are they all on salary?

Hon. Mr. Roberts: All on salary.

Mr. Nixon: Well, on the sheriff vote, item No. 7, "he is the only one," and so on, what does that mean? The hon. Attorney-General does not have that with the Crown attorneys. Is that the cost of the office or what?

Hon. Mr. Roberts: No, I think that is—is not that all in the list of people I read out?

Mr. Nixon: It seems to be a very large vote—over \$1.5 million, when the Crown attorneys are something under \$600,000—

Hon. Mr. Roberts: That item covers sheriffs, local registrars, and the supreme court clerks, county court clerks, certificate registrars and I suppose their staffs.

Mr. Nixon: Oh! That includes the whole works!

Hon. Mr. Roberts: Something over 350 employees in that group.

Vote 215 agreed to.

On vote 216:

Hon. Mr. Roberts: Mr. Chairman, I would just like to say that \$1 per capita allowance, provided for last year, in aid of the municipalities for the administration of justice, has made a considerable difference in this vote.

You, sir, would be interested to know that \$4,618,000, based on the \$1 per assessed capita formula, was paid out to the constituent municipalities in 1957. This figure is based on the total population except for inmates of mental institutions, personnel of defence work, and Indians on reservations, which latter group will be included in this year's payments.

Mr. Nixon: Why not make it retroactive, so as to give us all a fair break now?

Mr. Oliver: Well, we did not want to increase the provincial debt any more.

Mr. Wintermeyer: Does that amount, the grant, the sum of \$4 million, appear in the estimates of The Department of Municipal Affairs? Is that where it appears in the estimates?

Hon. Mr. Roberts: Yes.

Vote 216 agreed to.

On vote 217:

Hon. Mr. Roberts: Mr. Chairman, 1957 is what is termed as a happy year for the Ontario provincial police, as general headquarters was transferred from a very small house—small in relation to their work—on Queen's Park Crescent to a large, modern 3-storey stone building on Fleet Street.

The new building not only houses the garage on the main floor, but all administration offices of the Ontario provincial police as well as No. 5 district headquarters.

Shortly after transferring to the new building, a teletype system was installed, which connects the general headquarters with 15 district headquarters. Teletype service has proved of tremendous value in the general administration of the force.

The estimates provide for 100 uniformed personnel, and recruiting will start April 1. The force is now at the full authorized strength, 1,730.

Mr. Whicher: I wonder if the hon. Attorney-General would tell us—of that 1,730, approximately how many would be patrolling the highways of this province?

Hon. Mr. Roberts: Three-quarters of the force is the round figure that is taken as being on highway duty. Yes, the commissioner's report, which was tabled in the House a few days ago, gives very detailed information in relation to the work on patrol and the general work of the force.

Mr. Whicher: Well, I suggest to the hon. Attorney-General that this is the place where he could resolutely back his highways safety campaign, really help it out. Obviously 1,200 men are not enough people to patrol the highways of this province, when we consider there are not more than probably a quarter of them on duty at any one time.

They work only so many days a week, and they work so many hours a day, and using that figure of 25 per cent. of the force on duty at any particular time, it means that we have 300 people patrolling the highways in the province which extend many thousands of miles.

I would suggest to the hon. Attorney-General and his department, if they really want to have highway safety in this province of Ontario, that there is one way to do it, and that is to get more men patrolling the highways so that the offenders of speeding laws and other traffic infringements can be caught and properly dealt with by the proper authorities.

That is the only way in which we are going to cut down on the highway fatalities, and I strongly suggest to the hon. Attorney-General that, if he says at the present time the total number he can have, according to the rules and regulations, is 1,730—well I think that it—

Hon. Mr. Roberts: Up to 1,830 now.

Mr. Whicher: Well, I strongly suggest that there should be many, many more provincial police in this province, if the hon. Attorney-General really wants to get to the cause of accidents. We must have people with more white cars for patrolling our highways.

Mr. J. Spence (Kent East): Mr. Chairman, may I ask the hon. Minister a question? Are the Ontario provincial police using unmarked cars to enforce the law in the province? If they are, what results are they having with that procedure? Is this a good thing?

Hon. Mr. Roberts: Speaking of unmarked cars—

Mr. Spence: Yes?

Hon. Mr. Roberts: Well, approximately 10 per cent. of the total number. There are some 600-odd cars, and I think there are about 60-odd that are unmarked, and only used for special purposes.

Of course, some of them are used for purposes having nothing to do with highway traffic patrolling. But it is felt that a certain number are advisable, and these are used wisely in connection with the province. However, the great bulk of them are marked.

I might say, as I mentioned in my address, that if any hon. member sees fit to travel for 31 miles—the hon. Minister of Labour (Mr. Daley), I guess, knows the location of it—

Mr. Nixon: Maybe the rest of us should know too.

Hon. Mr. Roberts: —he will see there, especially at night, the use of these new types of revolving reflector lights, and other types of equipment on the personnel. These make it evident that everything possible is being done to draw the attention of people using the roads to the fact that they are in the vicinity of these patrol cars.

These cars in themselves, the fact that they are known to be there, I am sure do assist in keeping down speed.

But what we are trying to do in this 31-mile area is to find over a period of months, what is the “perfect patrol” figure. It will take months to get a pattern to say what really might constitute the perfect number that we are referring to, and to what extent that could be applied in similar areas in the more congested sections of the province.

I might say that that particular work has not been advanced to any great extent in any other jurisdiction, but we did get enough information on some of our inquiries to make us feel that it was worth trying it ourselves, and testing out ourselves to see if we cannot come up with a formula as to what, in the conditions that exist, say in southern Ontario, constitutes the perfect patrol in accordance to miles and the number of cars on the road.

Now that is what we are working on and to that extent we are on common ground.

Mr. Thomas: The hon. Attorney-General stated that some men would be taken into the service who would not be in uniform. Would their contract of service be similar to the uniformed policemen? He said 8, I think, would not be in uniform.

Hon. Mr. Roberts: I think my hon. friend is referring to clerks, people who are doing civil service work, but not police work—certain drivers for example and clerical work.

On that point though, there have been used from time to time what might be termed auxiliary police, in conjunction with some of the civil defence organizations. These organizations have proved quite helpful, I might say, in getting additional people for heavy traffic periods in the summer time and that sort of thing, and that is being continued. But in those cases there is always a qualified police officer along with one of the others, but it does make more qualified people available in the area.

Mr. Thomas: Further to that point, I was wondering whether there are some policemen doing clerical work in the different offices, who are physically and mentally capable of being out on the highway? If there is any dearth of that type of men, physically and mentally, to do police work outside, does the hon. Attorney-General not think it would be just as well to get persons who would not meet the physical standards of a policeman to do the clerical work, and put the other men outside?

Hon. Mr. Roberts: Well, that is a question of course that has been asked on a number of occasions and the answer is no. If we want to get the best results, it is important that there be the continuity of training all the way through.

Mr. Manley: Mr. Chairman, from experience that I have seen across the province, I do find that we have a lot of provincial police engaged in running miles and miles over township roads to investigate small accidents, those which involve only a couple of hundred dollars. Now, that does take a lot of time away from those qualified men, when they should be doing other duties in other important fields.

I am wondering if there could not be something done to alleviate that situation that we are finding ourselves in. As I say, those men have to drive miles and miles to reach the scene of an accident. When they get there, they find that it has only been a minor one, but the people involved do not want to move their car without having the police come in.

I think that it is a waste of time as far as the police are concerned, and I am wondering if some personnel could not be added to the staff, who would not have the physical qualifications of provincial police, yet could do this job quite effectively and bring in the

information that is necessary to the police department. I think in that way we could alleviate the situation, and make those provincial policemen more readily available for work that would be more beneficial to the citizens of the province of Ontario.

Hon. Mr. Roberts: The hon member for Stormont has made a suggestion, but I must say, as I said a moment ago to the hon. member for Oshawa, that those thoughts have certainly been canvassed, discussed with the commissioner and his staff, and the present procedure is regarded as the best one for police efficiency.

Mr. J. F. Edwards (Perth): Mr. Chairman, regarding the placing of provincial police in the province, the thought has often struck me that more should be done. However, before making a suggestion, I would first like to congratulate the police officers in our area on the fine work they are doing.

It seems to me unwise to have them concentrated in one or two areas. For instance, I believe there are 16 officers in my own area. We have a group at Sebringville and at Stratford.

Well, I see no good reason why maybe a couple of those officers should not be stationed at Mitchell, a couple more maybe in the town of Palmerston. There are already two in the town of Listowel. They all have cars with 2-way radio, and possibly some of the mileage would be eliminated. Yet, as has been said before, the mere presence of some of the black and white cars on the highway would be a deterrent to speed. I wonder if any thought has been given to that?

Hon. Mr. Roberts: Oh, yes, lots of thought has been given to it. But I must say that, when all these are taken and considered carefully—the distribution of the force in relation to the size at any one point, and the need for emergency calls and also the rapidity with which one can get about by car now, the much greater distances than used to be the case—it is not considered wise to have a whole lot of small detachments if the work can be done by a more concentrated force with more people available right at a central spot.

However, each situation has to be looked into, and if the hon. member has anything there, or if any other hon. member has any situation in his local area which he would like to have reviewed, I would be only too glad to take it up with the commissioner and his staff.

But I must say that from the time I took this office, I have been very careful not to

override their decisions unless I think they are completely wrong. I feel that they know more than I would about the general problem they are dealing with.

Mr. Gordon: Mr. Chairman, there is an item for travelling expenses for \$1.6 million. It is quite an increase over last year, and that is an awful lot of money for travelling. Could we have an explanation of just what that covers?

Hon. Mr. Roberts: I understood that that is an increase as a result of increased mileages. It covers cost of gas and oil, repairs, maintenance of mobile units. Also, the living expenses of men when stationed away from their usual headquarters.

Mr. Nixon: Well, of course, in addition to what we voted last year, the hon. Attorney-General had to get the treasury board orders for \$400,000, did he not?

Hon. Mr. Roberts: Last year. Yes, for the current year.

Mr. Nixon: Well, I presume the hon. Attorney-General hopes that these estimates are more accurate as to the amount needed, so that he would not have to come with a treasury board order for another \$400,000 next year.

Hon. Mr. Roberts: Yes, I think that is the situation, and also, of course, it provides for the additional 100 people who will be taken on from April 1, and in addition to the 160, I think it was, who were taken on in the current year, all of whom have to use the equipment and travel and so forth.

Mr. Gordon: Mr. Chairman, does the hon. Attorney-General know the maximum salaries of the provincial police as of this year?

Hon. Mr. Roberts: Yes, I thought I had them in my little book just in case I got an inquiry of that sort. A probationary constable receives \$3,240. Six months afterwards, he starts as a regular constable, at \$3,450, which increases regularly until it reaches \$4,050. Did the hon. member want the salaries of those beyond constables?

A constable reaches the top of his bracket in 4.5 years.

Mr. Gordon: May I have the age limit?

Hon. Mr. Roberts: From 21 to 35, I think it is. Not under 21, not over 35.

Mr. Wintermeyer: In that connection, a quick computation would suggest that the average salary is about \$4,500. That is, the

hon. Attorney-General is paying out \$7.8 million for salaries, and he is employing 1,730 men. Now, that average works out to \$4,500, which is substantially higher than the \$4,000 to which he has referred.

Hon. Mr. Roberts: If it is \$4,500, I hope it is. It is not too much.

Mr. Wintermeyer: I would remind him that teachers' salaries are far less than that.

Hon. Mr. Roberts: I was asked a question as to what they are at the present time, and that is the position. Of course, we have the corporals, the sergeants, and the staff sergeants and inspectors and so forth at different brackets.

Mr. Whicher: Mr. Chairman, I wonder if the hon. Attorney-General could tell us how many municipalities have agreements signed with the provincial police where the municipalities have not got policemen of their own?

Mr. Thomas: Mr. Chairman, further to that question, to follow on, maybe the hon. Attorney-General could answer the 3 questions at the same time. I would like to know if he had any requests from municipalities to be admitted into the provincial police system during the past year, and if any municipalities have decided to get out from under the system and set up their own police force?

Hon. Mr. Roberts: Well, I will answer that in this way. The policy established about a year ago, and based on understanding and co-operation with the municipalities concerned, has been to endeavour to get away from the municipal policing of the larger places, at any rate, in order that we can have more men available for the general work of the force, particularly for highway patrol work.

I think that, last year, there were some 12 municipalities with which agreements were terminated. There were some smaller ones, 4 I believe, in which we entered into agreements for police, but the total overall number—I do not have it exactly—but my recollection is that it runs about 60 municipalities, involving about 140 men and 62 cars.

Mr. Whicher: Mr. Chairman, I would just like to point out to the hon. Attorney-General that there are some more men who are engaged in other duties, and if we take that 140 off the total that he now has—I know that they do other highway duties besides—it seems to me that he needs more men in this department to police these roads. I do

not think there is any question about it whatsoever.

Hon. Mr. Roberts: Until this problem is solved, we will probably always need more for some time to come.

Mr. Gordon: Mr. Chairman, dealing with radio communication system, this \$315,000. Is this for installation of new equipment or change of frequency or what?

Hon. Mr. Roberts: Yes, there has been a switch over to conform with federal requirements in connection with radio operations, that has cost us a considerable sum. In addition to that, we have this new teletype equipment that I mentioned earlier. Both of these have involved considerable additional expenses. I must say that the teletype equipment for the 15 districts is a great move forward from the standpoint of speeding communications. We have almost instantaneous communication throughout the whole province.

Mr. Gordon: Mr. Chairman, I mentioned this to the hon. Attorney-General before. In our area, we are having considerable difficulty with radio calls coming in on television sets and I wonder if something could be done to change that. It is quite noticeable, and we get quite a lot of it. I thought this frequency change took place some time ago, but it is just a recent move.

Hon. Mr. Roberts: It is complete now as far as the Ontario provincial police are concerned. Are these calls Ontario provincial police calls?

Mr. Gordon: Yes, oh, yes.

Hon. Mr. Roberts: Perhaps the hon. member would report them to the local detachment, and get a recommendation sent in, and we will see if anything can be done about it.

Vote 217 agreed to.

On vote 218:

Hon. Mr. Roberts: Mr. Chairman, on vote 218, Mr. Armand Racine, who was the public trustee from 1940 until August, 1957, died last August. Mr. Racine was born in the Ottawa valley at Castleman, Ontario. He was a graduate of the University of Ottawa and Osgoode Hall, and later became a partner of hon. C. P. McTague in Windsor.

Mr. Racine was a dynamic public servant, and under his direction the branch of the public trustee grew rapidly.

Some years ago Mr. Racine conceived the idea of a new public building to house not only his branch, but other branches of The Department of the Attorney-General in the rapidly-expanding economy. To him, perhaps more than to any other person, is due the credit for the 6-storey modern stone administrative building located on the south side of Queen Street in Toronto opposite Osgoode Hall.

This building, which will stand for many years, can always be regarded as a monument to Armand Racine. Both the hon. Prime Minister and myself have known Mr. Racine for many years; we were classmates at Osgoode Hall. His passing was a source of deep regret not only to the government but to his many associates and friends.

In the appointment of Mr. J. W. Thompson, Q.C., as public trustee, the government has followed once again the principle of promotion within the service. A bill was introduced a few weeks ago authorizing another deputy public trustee, which means that Mr. Thompson will have the services of two deputy public trustees to administer this important office.

Votes 218 and 219 agreed to.

ESTIMATES, DEPARTMENT OF INSURANCE

On vote 701:

Hon. Mr. Roberts: Might I just make these remarks, Mr. Chairman, in connection with The Department of Insurance? It is supervised by the superintendent of insurance under the following statutes:

Under The Insurance Act, approximately 17,400 agents are registered with the department, 9,244 of these being life insurance agents and 8,156 being other than life insurance agents.

There are also 643 insurers licenced under the Act, of which 419 are registered by the federal Department of Insurance, to which they submit their annual reports. Of the remainder of the 224 provincial companies, 108 are mutual benefit societies and 66 are farm mutuals. Amendments to The Insurance Act are presently before the Legislature.

Under The Loan and Trust Corporations Act, 26 trust companies and 7 loan companies are registered. Amendments to The Loan and Trust Corporations Act, dealing with powers of investment of loan and trust corporations, will be presented before this session of the Legislature.

The third Act is The Real Estate and Business Brokers' Act. Under this Act, approximately 2,600 brokers and 6,600 salesmen are registered with the department. Amendments to The Real Estate and Business Brokers' Act, to provide for the appointment of an advisory board which will make recommendations to the superintendent in connection with licences, will be presented to the present session of the Legislature.

The fourth is The Credit Unions Act. Approximately 1,400 credit unions are supervised by the department examiners at this time, which requires the service of 12 examiners. The credit union league, pursuant to an amendment to the Act passed in 1957, is also empowered to examine into the affairs of credit unions and to report the results to this department. The staff of the credit union league has been considerably increased during the past year to perform these duties.

The fifth is The Collection Agencies Act; 125 collection agencies are presently registered with this department.

The sixth is The Prepaid Hospital and Medical Services Act. Some 40 plans are registered with the department under this Act, each plan generally speaking covering the operations of the plan in one county.

And finally, under The Investment Contracts Act 3 companies are issuing investment contracts and 192 salesmen are presently registered.

Mr. Whicher: Mr. Chairman, I would like to ask the hon. Attorney-General something about the bonds for real estate agents. Last year in Toronto, we had a very unfortunate circumstance when one of the larger real estate agencies went bankrupt. I have had some smaller agents tell me that the bond has been increased quite considerably, and I would like to know how much the bond is for the smallest real estate man, in a small town, and how much it would be for the larger ones, say in the city of Toronto, who handle millions of dollars' worth of real estate each year.

Hon. Mr. Roberts: Well, the bond was increased about a year ago. Actually, it came into operation last fall. For real estate brokers, the bond increased from \$1,000 to \$5,000, and for a salesman \$500 to \$1,000. \$5,000 is a fixed figure across the board.

Mr. Whicher: Mr. Chairman, I wonder if the hon. Attorney-General feels it is not fair that a man who is handling a minimum amount of real estate should have to have a \$5,000 bond when, on the other hand,

as I say, we have men who handle millions of dollars' worth, and the public is protected only by a \$5,000 bond.

Hon. Mr. Roberts: This was done after careful consideration, and after consulting with the real estate organizations, and as far as I know, it is working out all right. And I am informed by the superintendent that he has had no objections to it.

Mr. Whicher: I would like to point out that last year this real estate agency which went bankrupt cost the people of this province a lot more than \$5,000.

Hon. Mr. Roberts: Bonding is not for that purpose.

Mr. Whicher: It is not for that purpose?

Hon. Mr. Roberts: Oh, no, I mean there are lots of people not bonded at all, organizations not bonded at all, which could go bankrupt. This bond is to prevent fraud.

Mr. Whicher: They are handling other people's money though, a lot of it.

Mr. Fishleigh: A \$1,000 bond costs only about \$10 to the salesman. Nobody is kicking about it—\$10 for \$1,000.

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Chairman, there is also the point that a very small real estate broker might perchance get a very large deal, which would be all out of proportion, you might say, to his usual run of business. I have known that to happen.

Hon. Mr. Roberts: I am told the premium for a \$5,000 bond is \$35.

Mr. Gordon: Mr. Chairman, what is the policy of real estate salesmen in line with doing other work? Are they allowed to carry on with any other position, or must he be strictly a real estate salesman?

Hon. Mr. Roberts: In areas of over 5,000, the rule applies, generally speaking.

Mr. G. J. Monaghan (Sudbury): Mr. Chairman, has this proven to cause any hardship on any persons who some years ago carried on an auctioneering business as well? They actually carried on both, and I feel that in some cases there is a hardship with the amount of sales, there is not enough sales today to warrant a full-time auctioneer. Yet a person, who formerly carried on auction sales and sold real estate, cannot do both now.

Hon. Mr. Roberts: If the hon. member is referring to an auctioneer in his capacity as

an auctioneer, he is not required I understand to be registered under The Registry Act for that purpose. But if he is speaking of somebody who wants to do more than one job, I would say the general rule definitely applies. Some very good reason could be shown beyond any question, but the rule is there and should be adhered to, generally speaking, very definitely.

Mr. Gordon: I understand one cannot be an auctioneer and sell real estate too. Is that so?

Hon. Mr. Roberts: That is what I am getting at. Well, the superintendent thinks a person can sell real estate in relation to his job as auctioneer.

Vote 701 agreed to.

Hon. Mr. Frost moves the committee rise and report certain resolutions.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Hon. Mr. Frost: Mr. Speaker, I move you do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to; House in committee of the whole, Mr. H. M. Allen in the chair.

SEPARATE SCHOOL BOARD OF LINDSAY

House in committee on Bill No. 2, An Act respecting the separate school board of the town of Lindsay.

Sections 1 to 4, inclusive, agreed to.

Bill No. 2 reported.

HURON COLLEGE

House in committee on Bill No. 4, An Act respecting Huron College.

Sections 1 to 43, inclusive, agreed to.

Preamble agreed to.

Bill No. 4 reported.

TOWNSHIP OF GRANTHAM

House in committee on Bill No. 6, An Act respecting the township of Grantham.

Sections 1 to 3, inclusive, agreed to.

Bill No. 6 reported.

TOWNSHIP OF LONDON

House in committee on Bill No. 8, An Act respecting the township of London.

Sections 1 to 3, inclusive, agreed to.

Schedule agreed to.

Bill No. 8 reported.

TOWNSHIP OF CHINGUACOUSY

House in committee on Bill No. 14, An Act respecting the township of Chinguacousy.

Sections 1 to 3, inclusive, agreed to.

Schedule agreed to.

Bill No. 14 reported.

CANADIAN PACIFIC RAILWAY
COMPANY

House in committee on Bill No. 15, An Act respecting Canadian Pacific Railway Company.

Sections 1 to 3, inclusive, agreed to.

Schedule agreed to.

Bill No. 15 reported.

STRATFORD SHAKESPEAREAN FESTI-
VAL FOUNDATION OF CANADA

House in committee on Bill No. 5, An Act respecting the Stratford Shakespearean Festival Foundation of Canada.

Sections 1 to 3, inclusive, agreed to.

Schedule agreed to.

Bill No. 5 reported.

SUDBURY YOUNG WOMEN'S CHRISTIAN
ASSOCIATION

House in committee on Bill No. 10, An Act to incorporate Sudbury Young Women's Christian Association.

Sections 1 to 14, inclusive, agreed to.

Bill No. 10 reported.

QUEEN'S UNIVERSITY AT KINGSTON

House in committee on Bill No. 17, An Act respecting Queen's University at Kingston.

Mr. Nixon: Did all the people who are writing about this bill have an opportunity of appearing before the—

Hon. Mr. Frost: Mr. Speaker, I want to hold that bill and also the Waterloo College bill. They have similar provisions. I want to hold those for another day.

ONTARIO DIETETIC ASSOCIATION

House in committee on Bill No. 20, An Act respecting the Ontario Dietetic Association.

Sections 1 to 18, inclusive, agreed to.

Bill No. 20 reported.

TOWNSHIP OF TECK

House in committee on Bill No. 21, An Act respecting the township of Teck.

Sections 1 to 3, inclusive, agreed to.

Schedule agreed to.

Bill No. 21 reported.

CITY OF BELLEVILLE

House in committee on Bill No. 31, An Act respecting the city of Belleville.

Sections 1 to 6, inclusive, agreed to.

Bill No. 31 reported.

CITY OF WATERLOO

House in committee on Bill No. 7, An Act respecting the city of Waterloo.

Sections 1 to 3, inclusive, agreed to.

Bill No. 7 reported.

ROYAL VICTORIA HOSPITAL OF
BARRIE

House in committee on Bill No. 12, An Act respecting the Royal Victoria Hospital of Barrie.

Sections 1 to 3, inclusive, agreed to.

Bill No. 12 reported.

TOWN OF THOROLD

House in committee on Bill No. 18, An Act respecting the town of Thorold.

Sections 1 to 6, inclusive, agreed on.

Schedule agreed to.

Bill No. 18 reported.

CITY OF LONDON

House in committee on Bill No. 19, An Act respecting the city of London.

On section 1:

Mr. W. A. Stewart (Middlesex North): I believe that bill went through committee and was to be amended, but I do not believe the amendment is written into the bill.

Sections 2 to 16 agreed to.

Schedule agreed to.

Bill No. 19 reported.

LAKESHORE DISTRICT BOARD OF EDUCATION

House in committee on Bill No. 23, An Act respecting the Lakeshore district board of education.

Sections 1 to 3, inclusive, agreed to.

Bill No. 23 reported.

BOARD OF EDUCATION FOR NORTH YORK

House in committee on Bill No. 24, An Act respecting the board of education for the township of North York.

Sections 1 to 3, inclusive, agreed to.

Bill No. 24 reported.

VILLAGE OF LONG BRANCH

House in committee on Bill No. 38, An Act respecting the village of Long Branch.

Sections 1 to 3, inclusive, agreed to.

Schedule agreed to.

Bill No. 38 reported.

Hon. Mr. Frost moves that the committee rise and report certain bills without amendment.

Mr. Allen: Mr. Speaker, the committee of the whole House begs to report certain bills without amendment and begs leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

WATERLOO COLLEGE ASSOCIATE FACULTIES

Mr. J. J. Wintermeyer moves second reading of Bill No. 16, "An Act respecting Waterloo College associate faculties."

Hon. Mr. Frost: Mr. Speaker, in relation to this bill, I am advancing it to committee stage so that a certain clause in relation to expropriation contained in this bill can be considered at the same time as a somewhat similar clause in the Queen's University bill. They involve the same principle, and it might as well be determined at the one time. So I am asking the House to advance this bill so that we may consider them both in a similar stage.

Motion agreed to; second reading of the bill.

WINDSOR JEWISH COMMUNAL PROJECTS

Hon. C. Daley moves second reading of Bill No. 1, "An Act respecting Windsor Jewish communal projects."

Motion agreed to; second reading of the bill.

CITY OF CHATHAM

Mr. G. W. Parry moves second reading of Bill No. 9, "An Act respecting the city of Chatham."

Motion agreed to; second reading of the bill.

VILLAGE OF PORT PERRY

Mr. R. J. Boyer moves second reading of Bill No. 11, "An Act respecting the village of Port Perry."

Motion agreed to; second reading of the bill.

VILLAGE OF WEST LORNE

Mr. J. P. Robarts moves second reading of Bill No. 13, "An Act respecting the village of West Lorne."

Motion agreed to; second reading of the bill.

CITY OF WINDSOR

Mr. M. C. Davies moves second reading of Bill No. 22, "An Act respecting the city of Windsor."

Motion agreed to; second reading of the bill.

BOARD OF EDUCATION FOR SAULT
STE. MARIE

Mr. C. H. Lyons moves second reading of Bill No. 32, "An Act respecting the board of education for the city of Sault Ste. Marie."

Motion agreed to; second reading of the bill.

TOWN OF FORT FRANCES

Mr. W. G. Noden moves second reading of Bill No. 35, "An Act respecting the town of Fort Frances."

Motion agreed to; second reading of the bill.

CITY OF FORT WILLIAM

Mr. G. C. Wardrope moves second reading of Bill No. 40, "An Act respecting the city of Fort William."

Motion agreed to; second reading of the bill.

Hon. Mr. Frost: Mr. Speaker, prior to moving the adjournment of the House, I should like to make this motion, seconded by the hon. Provincial Secretary (Mr. Dunbar). It arises out of what I said yesterday concerning sittings on Fridays—that is, without interference with the session in the afternoon—commencing with a session in the morning. I have had a number of comments from hon. members from both sides in relation to this, and I did discuss it briefly with the hon. leader of the Opposition (Mr. Oliver). We will try this out this Friday.

It has been arranged that the committees which will sit on Friday commence their sessions at 9.30 instead of 10 o'clock, and I make this motion that, notwithstanding the previous order, this House will meet on Friday next, March 7, at 11 o'clock in the forenoon, will rise for the luncheon interval at 12.45 o'clock, and re-assemble at 2 o'clock in the afternoon.

Mr. Thomas: I wonder if the hon. Prime Minister has given some consideration to

the dining room facilities? We will adjourn for just an hour and a quarter, and they are very, very cramped there. I wonder if the hon. Prime Minister has given any consideration at all to that? It will be very, very crowded there, I do not know how all the hon. members would get in.

Hon. Mr. Frost: Well, as a matter of fact, I have not given consideration to that point, except that we on other occasions have worked out the hour and a quarter period.

Now, I would say to my hon. friend that we might try this and I think that the committees will be generally over on Friday, commencing a week from Friday and the week following.

If that is an unsatisfactory hour, we could meet, say at 10.30 or even 10 o'clock, on Friday morning and adjourn at an earlier period to allow the hon. members sufficient time. I am not sure that that hour would work out, on the other hand, because the purpose is, first of all, to enable the hon. members to get away around 3.30 or 4 o'clock in the afternoon and, at the same time, not lose the time there is in the morning. After all, I think we are all anxious that all the hon. members should have the fullest opportunity for discussion.

I never like to curtail the budget debate or the Throne debate, and I think that if we do this, it will give more time to hon. members, and also give more time for the discussion of the matters on the order paper.

If my hon. friend would be agreeable, we can try this out. Now, if that luncheon hour is short, it will mean that some of the hon. members will be compelled to diet a little bit at that time, but if it is unsatisfactory then we will meet the problem the week following.

Mr. Thomas: I may say that I am all for the idea of speeding up the Legislature on Friday in that manner, but I would like the hon. Prime Minister to remember that the dining room facilities have been cut in half to what they were last year.

Mr. Oliver: Mr. Speaker, the only reservation that I have in regard to the motion is that it should have included the closing hour on Friday afternoon. It was set out in the motion, as the hon. Prime Minister will recall, that we sit from a certain time to a certain time in the morning, and then start at 2 o'clock in the afternoon, but no indication was given of when we might close the session of the Legislature.

Hon. Mr. Frost: It was set aside to put an hour in there.

Mr. Oliver: Well, I think we should because on Friday afternoon it is quite necessary for a number of hon. members to get away around 3.45 o'clock, or close to that, in the afternoon, and I think having the morning session will allow us to do that.

Hon. Mr. Frost: Would 4 o'clock be satisfactory?

Mr. Oliver: Yes, to me it would.

Hon. Mr. Frost: Well, I would be glad to change the motion and put in 4 o'clock, from 2 till 4.

Mr. Speaker: We will just add to that motion that the Legislature will adjourn at 4.00 of the clock, Friday afternoon.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, for tomorrow, we meet at the usual time of 3 o'clock and, as indicated yesterday, will continue for a night session tomorrow. Now the order of business would be the estimates of The Department of Labour in the afternoon. Now, I should like to take, tomorrow evening and running through on Friday morning, the estimates of The Provincial Treasurer's Department, which would include the supplementary estimate, which I understand is non-contentious. There are a number of small

estimates which include the provincial auditor, the Prime Minister's Department, The Lieutenant-Governor's Office, and The Department of Economics, which really runs with The Provincial Treasurer's Department.

I would like to take first the estimates of The Department of Labour tomorrow afternoon, and then fit these other estimates in: Treasury, Economics, Lieutenant-Governor, Prime Minister and the auditor tomorrow evening and on Friday morning.

Now if there is time, then there are items on the order paper, and I would say, if there are any items which any of the hon. members want held over, we will do that, but there are the items on the order paper and we would try to include, on Friday afternoon, the budget debate.

I think that we can arrange for a satisfactory time next week for the concluding speeches on the Throne debate, and have a vote on that item some time say Tuesday or Wednesday of next week, at a time that the "whips" would find satisfactory.

The hon. Prime Minister moves the adjournment of the House.

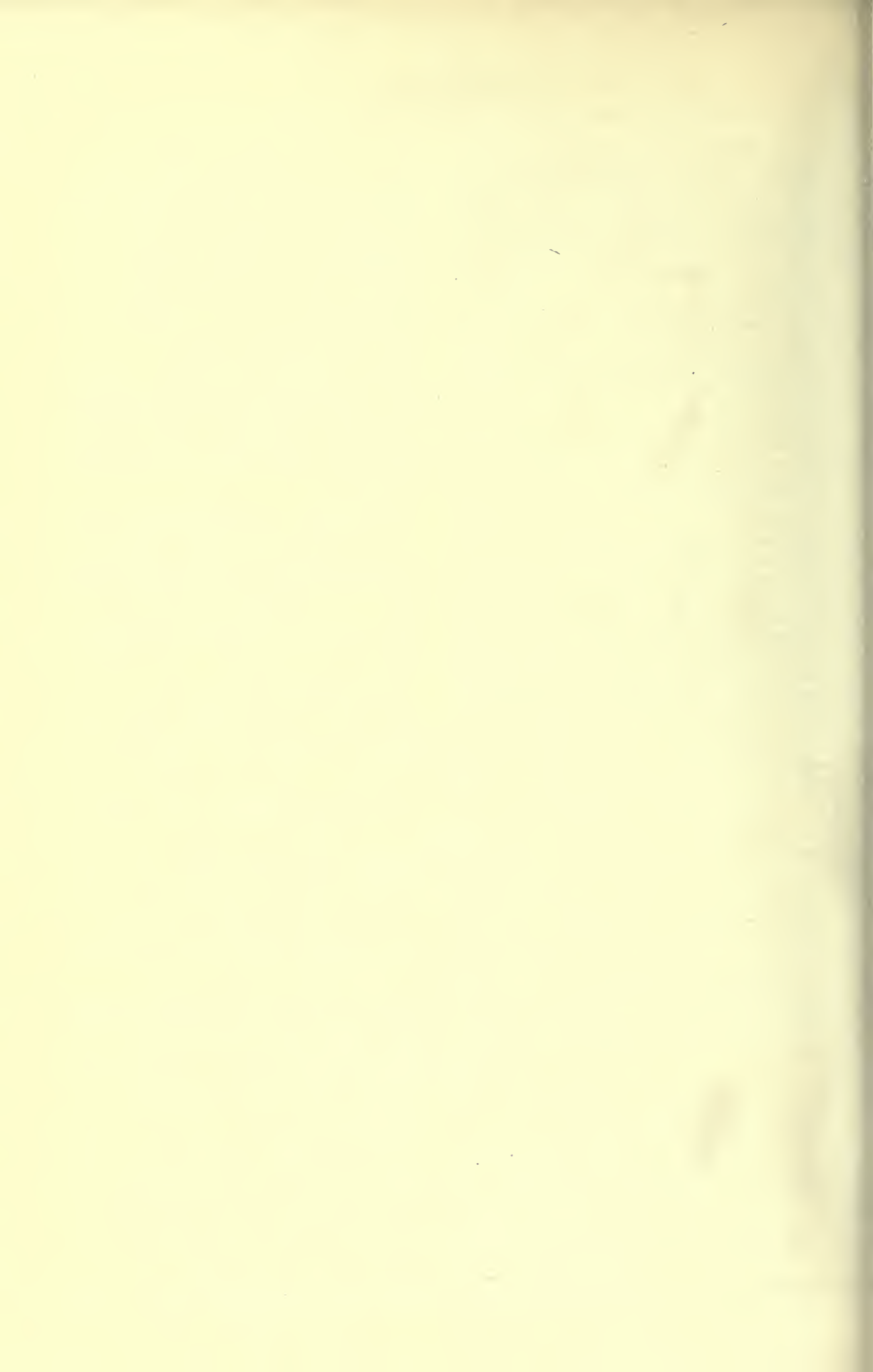
Motion agreed to.

The House adjourned at 5.00 of the clock, p.m.

ERRATA

(February 20, 1958)

<i>Page</i>	<i>Column</i>	<i>Line</i>	<i>Correction</i>
298	2	1, 2	Change to read: "appeal, the appeal was heard by Justices of Appeal Hogg, Roach and Aylesworth on December 8,"
298	2	11, 12, 13	Change to read: "Justice Kerwin, and Justices of Appeal Rand, Kellock, Locke and Cartwright, on March 2, 1956."
298	2	43, 44	Change to read: "27, by Justices of Appeal Schroeder, Roach and Mackay. On May 14, that court gave"





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Thursday, March 6, 1958
Afternoon Session

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1958



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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 6, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Clerk of the House: Mr. W. Sandercock, from the standing committee on travel and publicity, presents the committee's first report and moves its adoption.

Your committee begs to report the following bill without amendment:

Bill No. 76, An Act to amend The Tourist Establishments Act.

Motion agreed to.

Clerk of the House: Mr. J. Yaremko, from the standing committee on private bills, presents the committee's fifth report and moves its adoption.

Your committee begs to report the following bills without amendment:

Bill No. 26, An Act respecting the city of Toronto.

Bill No. 27, An Act respecting the Canadian National Exhibition Association.

Bill No. 28, An Act to incorporate the chartered institute of secretaries of joint stock companies and other public bodies in Ontario.

Bill No. 33, An Act respecting the corporation of the synod of Toronto and Kingston of the Presbyterian Church in Canada.

Bill No. 36, An Act respecting the township of Sunnidale.

Bill No. 43, An Act respecting the city of Niagara Falls.

Bill No. 44, An Act respecting the city of Sault Ste. Marie.

Bill No. 88, An Act respecting United Community Fund of Greater Toronto.

The committee also begs to report the following bill with certain amendments:

Bill No. 39, An Act respecting the city of Ottawa.

Your committee would recommend that the fees, less the penalties in the actual cost

of printing, be remitted on Bill No. 33, An Act respecting the corporation of the synod of Toronto and Kingston of the Presbyterian Church in Canada, and on Bill No. 88, An Act respecting United Community Fund of Greater Toronto.

Motion agreed to.

Mr. Speaker: Introduction of bills.

THE DEPARTMENT OF MUNICIPAL AFFAIRS ACT

Hon. W. K. Warrender moves first reading of bill intituled, "An Act to amend The Department of Municipal Affairs Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this is just a short section. It is to make it clear that the Honourable the Lieutenant-Governor-in-Council may appoint committees for any purpose relating to municipal affairs.

THE CORONERS ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to amend The Coroners Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill authorizes cities of over 100,000 population to employ one or more persons as technicians to assist the coroner.

THE POLICE ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Police Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill provides for a board of police commissioners to consist of the head of the council, a judge of any county or district court designated by the Honourable the Lieutenant-Governor-in-Council. The present Act provides, in the third category, such magistrate or Crown attorney as the Honourable the Lieutenant-Governor

in-Council may designate. The bill changes that last category to any person whom the Honourable the Lieutenant-Governor-in-Council may designate.

The amendment also contains provision that if the municipality and the police consent, the collective bargaining agreement, decision or award, may remain in force for a period of 2 years, which brings it in line with an amendment already before the House under The Fire Departments Act.

THE REAL ESTATE AND BUSINESS BROKERS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Real Estate and Business Brokers Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill provides for an advisory board to be appointed by the superintendent consisting of 3 persons, who may be made available, if required, to deal with an application for anyone to be licenced under this Act, or in relation to a cancellation of suspension proceeding. The board would come into action only if it was requested, either by the superintendent or by the person whose rights were being considered.

THE REGISTRY ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Registry Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, I might say that the Real Estate and Business Brokers amendment bill could go to legal bills committee, and I would think also that this amendment to The Registry Act could go to that committee.

THE TIME ACT, 1958

Hon. Mr. Roberts moves first reading of bill intituled, "The Time Act, 1958."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill is a routine general revision of the definition of "Time Act" to improve the language. There is no change in the effect of the Act and it will put it in line for a better Act when the revision of the statutes takes place, which I hope will be in the year 1960.

Mr. H. C. Nixon (Brant): What is the meaning of the title?

Hon. Mr. Roberts: The meaning of it? Well, it is really just a definition of the meaning of "standard time" and the relationship of it to Greenwich time and the dividing line, the meridian where the time changes in this province.

THE LAW STAMPS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to repeal The Law Stamps Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, at present The Law Stamps Act provides for the issue of law stamps, and that these stamps are to be used in payment of fees and charges payable to the Crown upon all legal proceedings. This bill repeals the Act, and henceforth, fees will be paid in money.

THE CORPORATIONS TAX ACT, 1957

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Corporations Tax Act, 1957."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this amending Act, while rather voluminous in material, and sections, boils down simply to an amending Act to conform with the amendments and changes in The Income Tax Act of Canada in relation to corporations, and is chiefly aimed at keeping the proper allocation of profits, the basis for which taxation of corporations is made both at the federal level and at the provincial level. It also has certain provisions which provide for an allocation of profits basis to meet the provisions in The Province of Quebec Act, and our own Act.

THE SUCCESSION DUTY ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Succession Duty Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this amending Act provides for, or permits, the payment by insurance companies, without the need of waiting for the production of the usual consents from the succession duty office, of insurance monies up to \$2,500 with respect to any insurance company. This means that the \$1,500 limit is raised now to \$2,500 with respect to any insurance company policy.

THE RACING COMMISSION ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Racing Commission Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the effect of this amending Act will be that the rules made by the racing commission from time to time, in connection with racing and the other administrative work that they have to do in that field, will be filed with the registrar of regulations, and on filing will take effect.

THE LAKE OF THE WOODS CONTROL BOARD ACT, 1922

Hon. R. Connell moves first reading of bill intituled, "An Act to amend The Lake of the Woods Control Board Act, 1922."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill has two purposes, one is to give Manitoba official recognition on the Lake of the Woods control board, which has authority over the water level of the Lake of the Woods and the flow of the English River and the Winnipeg River, and secondly to give to the board control, under the specified circumstances, of works to divert water from Lake St. Joseph into Lac Seul, which is part of the English River watershed.

Mr. Speaker: Before the orders of the day, I would like to extend a hearty welcome to the pupils from the Adelaide school of Hamilton; from Markham district high school; the Cartwright Avenue School, Toronto; and from St. Joseph's college school, Toronto. We also welcome to the House this afternoon a group of ladies from the city of Niagara Falls, who are here to view the proceedings of the House.

Mr. R. Whicher (Bruce): Mr. Speaker, before the orders of the day, I have a question I would like to address to the hon. Minister of Education (Mr. Dunlop), and it arises from an advertisement in yesterday's *Toronto Globe and Mail*.

It states that the Ontario school trustees' council announces that 171 boards of education, collegiate institute boards, and high school boards, including all boards in Metropolitan Toronto and district, and those of all large cities in Ontario, have agreed to refrain from advertising for, interviewing, or engaging secondary school teachers until the difficulty between North York board of education

and the Ontario secondary school teachers' federation has been resolved. It was signed by the Ontario school trustees' council.

Mr. Speaker, my question is this: Inasmuch as students are not allowed to enrol at the College of Education for summer courses, until they are assured of a job in the autumn, and inasmuch as this advertisement and the contents therein could jeopardize the possibility of these potential teachers getting positions, and consequently enrolling at the College of Education if this condition were allowed to continue too long, will the hon. Minister of Education tell the House what he has done about this situation, and what chances there are of settlement in the near future?

Hon. W. J. Dunlop (Minister of Education): Mr. Speaker, may I inform my hon. friend from Bruce that I am watching the situation very carefully and shall, at the proper time, if necessary, take whatever action may be needed to see that the supply of teachers is kept up to the proper level.

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third reading, upon motions:

Bill No. 2, An Act respecting the separate school board of the town of Lindsay.

Bill No. 4, An Act respecting Huron College.

Bill No. 5, An Act respecting the Stratford Shakespearean Festival Foundation of Canada.

Bill No. 6, An Act respecting the township of Grantham.

Bill No. 7, An Act respecting the city of Waterloo.

Bill No. 8, An Act respecting the township of London.

Bill No. 10, An Act to incorporate Sudbury Young Women's Christian Association.

Bill No. 12, An Act respecting the Royal Victoria Hospital of Barrie.

Bill No. 14, An Act respecting the township of Chinguacousy.

Bill No. 15, An Act respecting Canadian Pacific Railway Company.

Bill No. 18, An Act respecting the town of Thorold.

Bill No. 19, An Act respecting the city of London.

Bill No. 20, An Act respecting the Ontario Dietetic Association.

Bill No. 21, An Act respecting the township of Teck.

Bill No. 23, An Act respecting the Lakeshore district board of education.

Bill No. 24, An Act respecting the board of education for the township of North York.

Bill No. 31, An Act respecting the city of Belleville.

Bill No. 38, An Act respecting the village of Long Branch.

Mr. Speaker: Resolved that the bills do now pass and be intitled as in the motions.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I move that you do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to; House in committee of supply, Mr. H. M. Allen in the chair.

ESTIMATES, DEPARTMENT OF LABOUR

Hon. C. Daley (Minister of Labour): Mr. Chairman, before getting into the actual submission of the estimates of The Department of Labour, I would like at this time to make a few remarks that I hope might be informative and I also hope interesting.

We, in The Department of Labour, with the many and varied Acts which we administer, have had a very busy year, but in most respects, I would say, a very good year. Industrial disruption has been held at what might be considered a very low minimum. Our labour relations board and our conciliation services have rendered excellent service to industry and labour alike. I am happy to commend both of these departments for the good work they have done.

Now, as hon. members know, with the select committee on labour still conducting inquiries, and not able to make their final report because of the great amount of business that came before them at this time, I will be saying very little about labour relations. I know and have read the submissions made to the select committee, and I can say that at no time have I interfered in any way with their deliberations, nor do I know what their thinking is on the submissions made.

I have continued, in my normal manner, to examine The Labour Relations Act, and have submitted, for the approval of this House, certain amendments which I think are necessary, as has been my practice over a great many years.

I will only say from experience in administering this Act, I feel personally that the Act generally is sound and has produced excel-

lent results over the years. I say this because, in this great industrial expansion, with our thousands of new citizens and the ever-increasing demand for services, we have had less industrial disruption than any place I am aware of, so I would say the weaknesses of the Act have been, in my opinion, exaggerated.

Now at the outset I would like to say a word about the civil service. I think we in this province have been very fortunate that the civil service has attracted such a fine type of people. It is evident on all sides, that a fine *esprit de corps* exists in the civil service.

I believe the government attitude toward them has had a lot to do with establishing the mutual confidence and understanding for the following reasons:

Establishing security in the service; promotion from within when possible; recognizing the civil service association as a bargaining agency for the service; a continuous review of salaries and classifications in keeping with the times; a realistic approach to their aims and objects.

It has been my privilege as chairman of the Ministers' committee to deal with the association representatives. I think that if hon. members checked with the association they will find our discussions have been most cordial and that much has been accomplished. Without going into any more detail, I simply say we have good people and we want to treat them right.

My department grows as industry and population grow, and as new services are required. A great many of the people who were in the service when I took over in 1943 are still here and while we have had changes in personnel due to deaths, superannuation, marriage and so on, I am pleased to say that in handling this department for 15 years, I have had to dismiss only one man.

Now I want to speak for a moment about the vacations with pay. This has proved to be a wonderful thing for the workers of this province. Hon. members, of course, understand that the large and many small industries have a regular system of granting holidays that do not require stamps. They give the holidays and pay in cash.

But what I want to talk a little about is the vacation stamp book. This has grown to be big business. In the first year this Act was introduced, we sold \$377,236 worth of stamps. Last year we sold \$12,724,884 worth of stamps, and these stamps, of course, are for the worker whose employment may not

be continuous with the same employer, such as construction work and casual help with industry.

The employer purchases the stamps from the department, deposits them in the book owned by the employee, which can be cashed at any bank in the province on and after June 30 in each year.

Now great precautions are taken to protect this procedure from being victimized by crooked operators. Every book is audited to the satisfaction of the provincial auditor.

A few years ago we found that some ingenious people had stolen a number of books and removed and repaired stamps that had not been completely destroyed by our punch press. We have corrected this possibility by shredding the books after payment. They are completely destroyed.

Then, we found another fraud was being committed which did not at this time cost the government any money, but defrauded the purchaser of the stamps. Stamps were stolen from one individual, in quite a large quantity, and these were put into books and cashed. But, of course, the owner of those stamps had paid us, and we lost no money by it, but we have taken great steps to endeavour to correct the possibility of that.

So I want to advise those individuals who hold vacation stamp books, and the industries which purchase the stamps, to guard them as carefully as they would dollar bills. They are actually money, and the government will not be held responsible for their loss, and definitely will not reimburse anyone for loss.

As I have indicated, the money in the stamps is collected on June 30. That was deliberately designed so that when the holiday season came along, the man would not be without money during his vacation.

But we are in a very difficult position today, and I was thinking that if I were unemployed and had no money, but I did have in my pocket a book, a stamp vacation stamp book, with say \$100 in it, I would feel that that was my money and I should be able to get it.

I am saying, therefore, to people who find themselves in that predicament, we will not cash them before the due date if the owner is working or if he is on unemployment insurance. But if an individual has money in a stamp book and can qualify as I have stated, we will give very sympathetic consideration to making the cash available to him.

Now, I want to talk for a minute briefly about our elevator inspection service, because that is a new piece of legislation in the last 3 years. This branch is functioning very well.

We have assembled a number of very competent people, skilled in the operation and even in the construction of elevators. We inspect installations of new elevators—plans for which have to be approved by the department—passenger and freight elevators, dumb waiters, man lifts, escalators, incline lifts, ski tows, and so on, over the entire province, with the exception of the city of Toronto proper. We inspect all of Metropolitan Toronto, but the actual city of Toronto proper retains its own inspection service.

I am very happy to say that in this brief period, in which this Act has been in existence, we have now pretty well balanced the revenue and the expenditures of this department.

Briefly, may I say something about discrimination. Because of our laws, and I would say the whole-hearted acceptance by the people in respect of employment, public accommodation, and so on, discrimination has almost entirely been eliminated. A system of administration makes it easy for people to complain if they feel they have been discriminated against. It is our policy to inquire into a complaint almost instantaneously in any part of this province, because we have inspectors in all parts of the province. As soon as we receive a complaint, we can immediately assign a man to look into it.

Another thing that is developing is nuclear reactors. The scientists have developed a great force, designed, I believe, in its original application, for war. But it is now considered to be an even more valuable peacetime service, if harnessed, which is being done. My technical consultant of the department has the honour of being appointed a member of the staff of the reactor safety advisory committee of the atomic energy control board of Ottawa.

Now, my reason for bringing this matter before hon. members is to indicate that we are continually examining this question, so that proper care can be taken to control and minimize any harmful effects it might have on the people who will be required to use it. The Department of Labour, in 1957, provided enabling legislation to permit regulations currently being drafted by my department officials and those of The Department of Health.

A word about unemployment. Much has been said on this subject, and much has to be done to alleviate distress—by built-in benefits, I believe the hon. Prime Minister (Mr. Frost) called them. Now, when the hon. Prime Minister announced his willingness to advance and make available a fund of \$5 million, which I

consider a great deal of money, to the municipalities, it was designed to provide immediate work. We agreed to pay 70 per cent. of the wage bill incurred, with the very elastic provisions covering so many types of work.

I certainly thought, and still do, that it was a very generous, realistic approach to the difficulty of those out of work and not on unemployment insurance. I still think so. The fact that the municipalities cannot use it to the full extent because of such things as union difficulties and insufficient labour available of those who can qualify, does not in my opinion distract one iota from the scheme.

But these things point up the fact, to me, that there are not as many people really suffering as we have been led to believe.

The Ontario government is taking definite action to alleviate the province's unemployment situation by winterizing to the greatest possible extent its public works programme. It is estimated that some \$55 million will be spent in public works, and I also want to note that between April and December, of 1957, some \$110 million was spent by private industry in construction—not the biggest year we have had, but really a good year—on factories, alterations to industrial plants, shops and offices.

Winter work on government projects, while being given the go-ahead signal to take up the slack created by seasonal lay-offs and other causes, has gone forward to a greater extent than ever before. There is a great list of things, because I had a survey made, and I have a lot of detail here about the number of projects. But I think I would be infringing on The Department of Public Works to mention these things. I am leaving those to the hon. Minister of Public Works (Mr. Griesinger).

I just want to say that the government is making an inter-departmental survey which might increase the potential of winter operations. At the same time, I suggest that private industry might take a long look at its own operations with a view to reorganizing itself, to reducing and eventually eliminating the seasonal lay-off trend.

I would suggest the use of local employment councils as a means of combating seasonal unemployment. Such councils would be composed of representatives of industry, commercial firms, chambers of commerce, boards of trade and possibly municipal government officials. They could attack this problem right at the local level. Each council would examine its own problems and seek ways and means of solving them.

There is urgent need for a realistic approach to the unemployment dilemma, and I call on industry and labour to help to attack the problem. I do not believe that the situation is critical, but this government's feeling is that there should be a comprehensive survey made, not only by our departments, but also by private industry and commercial firms, to attempt to provide a more balanced employment cycle.

As I have said, my survey disclosed a great many projects which I am not going to mention at this time, because I feel the subject will be well taken care of by the hon. Minister concerned.

But I repeat my suggestion that councils on unemployment be established on a local level by industry, business, chambers of commerce and boards of trade to supervise the general atmosphere of unemployment in their respective areas. The attack on unemployment should be carried out on a long-term basis, industry should be asked to reorganize its methods of operation so that there are no drastic peaks and valleys in employment.

It should not be lost sight of that Canada, lying as it does in the temperate zone, must endure 5 months of weather conditions which generally make it impossible to carry on certain types of operations. So it is reasonable to expect that we will always have a certain amount of unemployment in the winter time.

Now, when people have steady jobs and they have short hours, and then they go out and they take somebody else's job, that is called, I believe, by organized labour "moonlighting," where a person holds down more than one job. I do not think this has become a very serious problem in Ontario, but I think that it should be discontinued during this particular period.

I have always admired a man who was anxious to get along and was willing to do a little more than was actually required of him, but when jobs are scarce I think it is unfortunate that some of our steadily employed people at good rates of pay are simply using the time off, that organized labour has secured for them, to take somebody else's job. I know of certain instances. I hope our people will be big enough in this period to discontinue that practice.

Now, I would just like to point out that the value of construction approved in 1957 in The Department of Labour exceeded \$150 million. An all-time record of 2,053 projects were approved. There were 21 projects costing over \$1 million, and almost 200 projects—some of which exceed \$1 million in proposed

cost—which are in varying stages of discussion prior to approval. I would just point out, without going into all the figures that I have here of this department, that in January of this year, there were 16 approved projects costing \$100,000 or more.

Now that is a lot of work in one month, at a time when we are so greatly concerned over the problem of employment.

These 16 firms have listed their proposed expenditures in this respect: Cities Service; Canadian Thermos Products; T. Eaton Company Limited; Canada Steamship Lines; the board of water commissioners, Lindsay; Pillsbury of Canada Limited, Midland; Interprovincial Freezers Limited, Chatham; British Drug Houses (Canada) Limited, Toronto; Canadian Motorola Electronic Limited, North York; University Press, Toronto; Atlantic and Pacific Food Stores, Windsor; Imperial Oil Limited, Sarnia; Peel Construction Company, Limited; Atlantic and Pacific Food Stores, Ottawa; Bell Telephone Company, Ottawa; and Principal Investments, Toronto. These projects range from \$100,000 up to \$830,000 each.

Another clipping I have, from the *Toronto Globe and Mail* of Monday, March 3, reads:

ELECTRIC FIRM PLANS BIG PLANT

The decision to build a \$12 million factory in Westminster township has definitely been made by Northern Electric Company, and plans for the big factory are rapidly forging ahead.

This announcement was made by Harry Miller, engineer in charge at that plant location and real estate for Northern Electric. He said the company had decided to buy 100 acres and locate in the London area because the district was an attractive place to build a factory.

The decision to go into Westminster township, he added, is to a large extent because of the superhighway and easy access to a main arterial route across the province.

I just point those out to show there is no reason for too deep pessimism, that the picture as we view it, as we see these things evolve, leads one to think that the present condition is more or less a temporary one.

I believe, under our system with so many necessary things to be done, that we can provide work and opportunity for our people.

What are we striving for, in this country, and what, under our free enterprise system, have we achieved?

Probably as high a standard of living as can be found anywhere. Equal opportunity for all willing to work, and yet we have not up to this time destroyed the initiative of our people. Social services to care for those who unfortunately and probably through no fault of their own need assistance.

A system of accident prevention and case care assistance for those injured in industry and with industrial diseases not equalled any place in the world. Apprenticeship training and supervision of those wishing to become skilled mechanics. Great progress along the line of equal opportunity for all in education. Ever increasing grants for this purpose.

Now, concerning this new proposed loan to students desiring to go to university, I can say I am all in favour of this scheme as proposed by the hon. Minister of Education. In passing, I would say from my experience with this hon. Minister, that he has brought more vision, a more realistic down-to-earth approach, more consideration for the underprivileged, and has done more to advance educational opportunities for the people of Ontario than any other man in the history of this province. The people are lucky to have this hon. Minister at the head of this great department.

This proposed \$3 million, which he says will be available for student loans, is the money of the taxpayers of this province. Because of this, I say that the view, which I have heard discussed here, that there should not be any interest charged, that there should not be any obligation to pay the money back, is unreasonable. Surely there should be some security required, some minimum interest charged to protect the loan. Many of our most famous educated men, including the hon. Minister himself, worked hard during the school vacation period to earn their education, and I do not think we should make this thing so easy that we are going to destroy this initiative on the part of these young people.

I personally never had the opportunity of getting a higher education. At the age of 16, I was apprenticed to learn the carpentry trade, at \$3 a week for the first year, \$4 and \$5 for the succeeding years. I will say, Mr. Speaker, that it was a great sacrifice on the part of my parents to allow me this opportunity, for money was rather scarce in our home. In fact, at times it was almost nil.

Now, according to the standards of that day, I think I could be considered as having become a fairly good carpenter, for at the age of 21, I was a foreman of one of the largest groups of tradesmen ever assembled up to that time in our city.

I belonged to the union and so did my boss. This is a little point I want to make on this. We used to attend the union meetings together, the boss for whom I worked and myself. Neither the boss or employer of that day, nor the boss of today, hates his employees.

There are some exceptions, of course, because we have a great many types of people. But I believe the boss of today has the welfare of his employees at heart because, in so many instances, he came from the ranks.

I am going to mention a fellow whom I have known for a great many years, and that is "Ted" Walker as I know him—E. H. Walker, president of General Motors of Canada. Now, he started as a boy in that industry, finally attended the General Motors college at Flint—or Detroit, I am not too sure which place—and he gradually progressed to the presidency of that great industrial organization. He did not have a college education.

The man he succeeded, president of the McKinnon Industries—a branch of General Motors in St. Catharines—a big organization, had no academic or college education, so I claim that it is not absolutely necessary that everybody have a college education to get along in this world.

I have visited the plants of General Motors in company with this Ted Walker, whom I mentioned. I have seen him walk along the lines and say "Hello Ted," "Hello Red," "Hello Bill, Jack," to the workmen on the line. Does that sound as if these people who, because of their ability, their initiative, have reached the top in certain things, are against the workers? Do hon. members think men like that are not concerned with the welfare of the workers and anxious to do the best for them? I may be naive, but I think they are greatly concerned.

George Burt, whom hon. members all know so well, at least by pictures and written word about him, is head of the United Automobile Workers in Canada. He still has his seniority rights in General Motors. He has not been in there in 15 years, I guess.

Well, what does that mean? It just means that, in other words, General Motors said to George Burt: "Go on out and work for the workers, organize them, lead them, and your job will always be here for you." Now, do not say it is not right, because George Burt told me so himself.

Mr. Thomas (Oshawa): That is quite true. But they did not say: "Go out and

organize the workers." The hon. Minister knows they did not say that.

Hon. Mr. Daley: They gave him his seniority rights in the plant, which he holds today. He could be fired tomorrow, heaven forbid, and he could go back to General Motors and resume his position, with his seniority.

Now I mention this because I feel that our laws, our rights of labour, our Labour Relations Act, are in my opinion—and I have said this before—slanted if anything towards labour. We try to keep them in balance, but actually they are slanted in favour of organized labour, for during a period of organization of a plant, the union has every opportunity to approach the workers but the industry must remain silent, else it is deemed to be an unfair employer, forcing the workers.

Now, what I say all this has done is to create the feeling, and I regret it, that the workers and the employers are getting further apart. It is driving the workers and the employers into two camps, for after all the employer has to stay in business. He has to remain competitive. He has to earn dividends for his shareholders.

It often occurs to me, when I am sitting in on some of these bargaining procedures, trying to bring the two parties together, that the representatives of the employers are not employers at all. They are just workers themselves, working for a big corporation with responsibilities to fulfil, so the situation is actually that of worker against worker.

I am sorry to see that there is a cleavage there, that the workers and the employers are getting further apart.

Let us go back to this educational business for a second. I am a little concerned that, because the Russians launched this sputnik, we are going overboard on this question of education. Are we going to advance so far that we are not going to need any labourers, or carpenters, or electricians or plumbers? Who is going to do the work in this country if everybody is going to have academic training? I do not know.

I am going to say to you, Mr. Chairman, it was a great sacrifice to my parents, and it will be to a great many other parents, to allow a boy to learn a trade at the apprenticeship wages, when he is strong and capable of earning a better wage. It is just as much a sacrifice to them to allow that boy to learn a trade as it is for the next family to allow their boy to go for a higher education. I do not think all our efforts should be centred along the line of higher education.

We should give continuously more thought to the boy who has a lot of ability—the kind of ability which is needed in this country—yet who is not able to absorb higher education.

We are getting to a point—where, in this country, we are demanding more and more without considering all sides of a question. In my opinion, if we allow the pendulum to swing too far, we are going to destroy many of the things which we presently enjoy. There is no utopia on this earth, and I do not think it was ever intended that there be one here. We should re-examine our position, and I appeal to the workers, the union men who have made such a great contribution to our way of life, to do so.

I am not one who thinks that the workers of today do not do a satisfactory day's work for a day's pay. I think our skilled workmen are more skilled than ever, because of the opportunities for technical training that have been made available to them. Nor do I believe that they are any more lazy or inefficient than we were when I was in the trade. In fact, our people of today are more skilled and more efficient than ever before in the history of this province.

Now, we want men in the trades and we have seen the growth of union organization. We have fostered it, we have helped it. No one has done more to assist the organization of the workers than this government.

We have seen them freed from the necessity of strikes for union recognition. Advances have been made by our present system. Workers have achieved a higher standard of living than ever before, more of the good things are available for more of the people. There is no discrimination because of union activities, and there is freedom of choice of union.

Let hon. members compare the early Labour Relations Act with the Act of today, and note the improvements over the years, concerning the hours of work and vacations with pay. Now I would say we have made great progress and that the workers in this province have made great progress.

But I say this, that the workers in the unions should take a greater interest in the activities of their union, because I believe that is one of the weaknesses of the union. Too great decisions are left to too few to make. Naturally, union leaders have to be continually pressing to justify their position, and I will say this, that unfortunately too many of them, because they have so declared themselves, have become too socialistic in their outlook, so I say to the workers: "Do

not be led 'down the garden path' without knowing where you are going."

Now, I come to the subject of small business people. We hear so much today about the small business being put out of business by the larger business. Well that is probably true to some extent.

But I say the small merchants can give the big fellows a fight. They have so much on their side—personal service, personal desires which they are aware of, and knowledge of the wishes of their customers.

Much discussion has been made regarding closing hours, particularly of retail establishments. This subject is and should, in my opinion, remain a municipal responsibility. We all like to have good hours of work. A trend is coming from longer hours down to 40 hours, and representations have already been made for even lesser hours. I think merchants should realize that, in this highly competitive business in which they are in, they cannot do business when their shops are closed.

I get a great many representations from people like the barbers, who complain about lack of business and what they should do and how they should get more of it. I like to see them get all they can.

Maybe I am old-fashioned, but it does annoy me when I cannot get into a barber shop before 9 o'clock in the morning. I used to live near a barber shop up on Eglinton Avenue in Toronto, and one morning I went to the shop and there were 3 men waiting to get in. The barber did not come until about 10 minutes after 9. The next day I went and the barber complained bitterly about his business being poor.

Why would it not be poor? It is easy to leave a haircut for another week if one wishes to, if one has gone to the barber shop at 9 o'clock and could not get in. I do not know when a worker does get his hair cut, because the shops are not open in the morning and they are closed at night. I do not want the barbers to keep open nights, but it seems to me that a better system than the present one could be worked out.

Then there is the matter of coffee breaks. I would not be surprised if some workers will soon want what they have down in the south—a siesta. We want all the good things of life, and we are entitled to them if we work for them. But I do not see how we can have all these things if we are not prepared to do something for them.

We have established the fact that a 5-day week is desirable, not to exceed 48 hours. During this period we have gone through—industrial expansion and great improvement in the standard of living—we have accomplished a great deal in arriving at that point. I do not know how much further we should go in reducing hours. So I say let us consider this matter thoughtfully, seriously, and sensibly.

I have heard it proposed that we should have a 32- or 34-hour week. Will that number of hours support the kind of life we have been accustomed to? We have lost our export markets to a large extent. Why? We do not compete in the world market because we have priced ourselves out of it.

Mr. Nixon: A while ago it was the Ottawa government that lost us that.

Hon. Mr. Daley: Well, of course, they helped a bit. We have higher wage rates than other countries, with the exception of the United States. We have better labour laws, legislation protecting the interest, health and welfare of the workers, workmen's compensation which is considered to be the most liberal and humanely administered to be found anywhere. How much more can we expect to get?

Mr. Chairman, the speech from the Throne gave me the feeling that this is not a time for pessimism. Because I have read some things that are on the planning boards, I would say it is a time for optimism. We have every reason to be optimistic in the long-term view. Because of this great province's geographical location, its tremendous natural resources, the initiative of our people, the skill of our workers, certainly in my mind we should eliminate pessimism from our minds. The tremendous works programme outlined at federal, provincial and municipal levels indicate faith in our country by those people.

But this will not, in itself, restore us to our normal position. First, the people themselves must have the faith to live normally, and to keep purchasing the things they need, whether it be a new dress or suit, refrigerator, or a new car. Failure to do this will lead only to more unemployment. Our industries are not quiet, at this time, because of loss of our great export business. We priced ourselves out of that years ago, our export business has not been so great. But we have also lost the home market, at least it has been greatly reduced beyond the point of realism, because of uneasiness. But we cannot altogether blame the people, because every time they read a newspaper or hear, particularly, a

Liberal political speech, gloom seems to be emphasized.

This province and this country are financially sound, our credit is good, and our standing among the nations of the world is high. Our position has been clarified, only just recently, among the members of the British Commonwealth. To use the words which have been used so many times, of Franklin Delano Roosevelt, "we have nothing to fear but fear itself."

Our industries, large and small, must show their confidence by proceeding with their proposed expansions, and by keeping every man at work where it is possible. A confident industry and a confident people will lift this temporary difficulty like fog before the sun.

This province has enjoyed a long period of growth and prosperity that has exceeded even our most wishful thinking.

Organized labour has done a good job in securing for the workers of this province better conditions of employment, and extended employment particularly in the automotive industry—which used to be far worse than it is today in relation to seasonal unemployment. And it has secured a fair share of the fruits of labour for the workman himself.

This government has also, since 1943 when labour legislation was enacted, been extremely aware of the need to enable the workers of this province to organize without fear of discrimination for union activity. It has set up conciliation, arbitration and many other procedures to assist them in improving their position without the necessity of work stoppage. We have set up measures to protect their health, by providing for increased inspections, reduced hours of work, vacations with pay, and ever-increasing protection from accidents.

Because of the record of the government, since 1943, I am sure the workers of this province will agree that, under this government, the worker has made real progress. In that period, and I think this is most important, we have not discouraged industrial development, for our increase in that respect has been phenomenal. It is continuing, and the figures which I gave are ample proof of this.

Does this indicate there is any foundation for pessimism in this province? I said that we have not destroyed initiative and industrial development, and we could have done so had we acceded to all the requests made by the socialists in this province. We could have hamstrung our industries so that the desire of new industry to come here, and

present industries to expand, with their skills and their abilities, would have been curtailed. We want industry to come, and industrialists like to come to Ontario because they like our labour laws. Let hon. members be assured that these industrialists investigate these laws very carefully before settling in this province.

It would be possible to develop a system that would give shorter hours, more and more unrealistic wage rates, and almost have utopian conditions—but no jobs. This government has maintained a balance as between labour and management, while actually protecting the jobs of the workers and the conditions under which they have to work.

Ever since World War II, this province and this country have gone progressively forward in every way. More of the good things of life have become available to more people than was ever considered possible. As a matter of fact, under the free enterprise or capitalistic system, if you wish to call it that, the standard of living for our people has risen faster and further than under any other system known to man.

Small business has become big business. I have always found it difficult to decide where the line is between a big and little business. In my business career I was considered a small business operator. Yet to me it was a big business, because it provided me with the necessities of life and the ability to care for my family.

Big business has undoubtedly played a big part in our development and made available goods and services that could not have been supplied by what is called small business. But we must not ignore the fact that even if an industry or merchandising establishment is considered small, the business man who operates it is really the backbone of our economy. The small business man is a solid citizen in his community, taking an active part in anything of community interest. He supports the churches, the schools, the service clubs, and the sports, so we have to do what we can to support him. These are difficult days for him.

The big operator and the big unions are continually pressing us for legislation concerning such things as hours of work, more vacations with pay and other things which I consider matters for negotiation. We have mandatorily imposed a 48-hour week, a week's holiday with pay, and I believe that is as far as we should go by legislation, or else we impose on the little man—whom we are endeavouring to help—a burden that he

cannot bear and remain in business, especially in these difficult times.

I do not believe we can continually impose burdens on our people they cannot bear, and hope to continue our progressive move forward.

Is it not reasonable, after all these years of progress, to expect a certain amount of levelling off? That is just what we are experiencing today.

How do we combat this condition? I suggest that industry, large and small, look to the future with confidence, and keep their staffs at the highest point consistent with good management. I suggest that the workers of this province reassess their position, take a good look at it, and see if it is unreasonable—after all these years of great progress—to expect that, this year, no unrealistic demands will be made to increase our difficulties. Rather, the workers should concentrate on consolidating their gains made over the years. Let us not dig a big hole in which to bury our free enterprise system.

Mr. Chairman, the estimates which I have once again the honour to submit to you are realistic, taking into account the ever-increasing growing needs of our people. They have been carefully prepared, they have been scrutinized by the hon. Provincial Treasurer (Mr. Frost) and approved, and I request the approval of this House so that we in this department can go forward knowing where we are going.

Mr. A. Wren (Kenora): I want to make some comment about labour matters in this province. At the outset, I would like to commend the activities of the hon. Minister of Labour, the Deputy Minister of Labour, and the staff for the manner in which they deal with labour problems. I think it is to the credit of administration generally that the Ministry in this House saw fit last year to appoint the select committee on labour relations.

To my mind, it is the most important select committee that ever sat in this House in the interval between the sessions. I sincerely hope that the committee, at least the majority of the committee, will be enabled to bring in a report before the next election (which will probably come early this year if newspaper speculation is accurate at all) so that something better might come of our Labour Relations Act.

I am not going to say anything more about that Act at the present time, because that is a matter which is still under discussion before the committee, and in my opinion should not properly be discussed here.

Hon. Mr. Dunbar: Set a new programme for Guy Fawkes Day.

Mr. Wren: The government have set it, have they?

An hon. member: Set the month but not the day.

Mr. Wren: One thing I am disappointed about, Mr. Chairman, is this. In the speeches given in the Throne debate and in the hon. Minister's remarks today, there was very little said about some of the human labour problems—some of the real problems perhaps, that affect human beings—which are administered by the department.

In particular, I noticed that the hon. Minister had nothing at all to say about the recipients of disability and death awards of the compensation board.

Now, I have heard the hon. Minister's arguments before, and I have heard the hon. Prime Minister's arguments before, that it is not fair or reasonable to go back over the years or place the costs of accidents of former years onto the shoulders of industry today. Now I do not think that we can realistically allow this thinking to continue, when we have people in our province who are suffering extreme hardships through no fault of their own, people who faithfully performed their duties and their services as working men and women years ago, and suffered accident as a result. Imagine a widow today for example, with two children, having to exist on \$74 a month!

Now I noticed the other day that the Rt. hon. Prime Minister of Canada (Mr. Diefenbaker) said that he was having a good look at the question of adding a contributory pension scheme of some kind to the existing \$55 a month old age pension. Now I suggest to hon. members that even the \$55 a month old age pension for a married couple will provide them with a great deal more than a widow with two children can obtain through the compensation board allowance. The same holds true for men who suffered loss of limbs in former years and are incapacitated as a result, all the way up from 10 to 100 per cent., and they are existing under conditions which are absolutely disgraceful to behold.

Now I do not know why this cannot be properly adjusted out of the general revenue fund. If I were in the Ministry on the government side, I would not hesitate to introduce a bill to provide that that money be allocated. But, inasmuch as money bills are the property only of the government side, I would urge that some hon. Minister on that side take this matter into consideration.

Now, they may say that it cannot be done, they may say there is no precedent for doing it, and that it is not fair to assess industry at the present time. Well, if it is not fair to assess industry, then let us make it a levy on the entire population of the province.

For example, in the federal Department of Veterans' Affairs, the veterans' pensions have been adjusted upwards from time to time as needs and conditions change. The government of Canada has never gone about suggesting that, just because a man fought in one war or another war, or in a different period or different era, that he was not entitled to the same consideration as the pensioner of today.

Therefore I am appealing to this government to do something for these people, because I do believe they are worthy of very serious consideration.

I have noted the hon. Minister's remarks about the unemployment situation which has been beaten around quite a lot during this session. I am not going to say a great deal about it. The hon. Minister mentioned this afternoon that the proposal of the hon. Prime Minister for 70 per cent. of labour cost to municipalities with peculiar labour troubles, was generous and realistic. But I suggest to him that he might agree with me that, although I think the hon. Prime Minister had the best of intentions when he announced the plan, in the plan itself he actually "goofed."

Now I say that for this reason. The municipalities are already getting, under existing regulations and legislation, relief for those who are unemployed and unemployable up to an extent of 80 per cent. Now, why would they find it necessary to embark on a programme of this kind where they would increase their own cost by 10 per cent.? I do not think the plan is realistic at all, I think the money might better be used if allocated to the municipalities on a basis of need and a basis of good intention.

I was interested too in the hon. Minister's remarks about this so-called "moonlighting." I noted where he said that it has not become quite as serious a thing as some people might believe. But I suggest, Mr. Chairman, that it is in some cases becoming a serious matter, for this very reason. I want to give one or two examples.

If a man is holding down two jobs, and works, we will suggest, from 8 o'clock in the morning to 5 in the evening, and then goes back at night at 9 o'clock to work at another job until 2 or 3 o'clock in the morning, he does not get his proper rest. As a result of not getting his proper rest, he may suffer

an accident 10 minutes after he resumes work in the morning. Who is held responsible for that accident? It becomes a cost to his original employer and it is not a fair assessment. I do suggest that it is the responsibility of the unions themselves to do something about this, but I think that our compensation benefits, and other activities of government where they are related wholly to occupation, should be given a very close look.

I have personal knowledge of injuries which have taken place on the railroads and in the mines and in the bush, simply because of fatigue, and the original employer was penalized because the man was not able to report for work in a fit and proper condition.

Another matter I noticed in the hon. Minister's remarks concerned the unemployment situation regarding automobile industries in places like Windsor and Oshawa.

I think the hon. Prime Minister of Ontario put his finger on part of it the other day when he said that they were designing cars something like ladies' dresses. But I want to suggest another aspect of this situation which has hit the automobile market very hard, and as a result, the service industries allied to that trade generally. This situation is this, that of gouging by finance companies. What they are doing to the people of this province is something that should be severely checked and severely countered.

There are many automobile dealers today, Mr. Chairman, and you and I know it, who do not worry if they do not make a cent's profit on the sale of the automobile, because they are making 23 per cent. and upwards in financing the sale of the automobile. In fact there are some automobile dealers who will not sell a car at all unless the purchaser agrees to take it at a cheap rate, plus the financing which he handles himself.

I suggest to the automobile industry seriously that, first of all, they should design a car that is suitable for this country, suitable for this climate and suitable to men who require basic transportation. Those people who have the resources can always get a better car, but the working man needs a car, and certainly our engineers can design one, which will suit the needs of this province.

Then let the automobile industry itself finance the sale of the car at service cost. Now, when the hon. Minister asks where are we going to get the money for all these things, I would suggest that there are hundreds of millions of dollars each year being siphoned out of this country through the operation of the finance companies.

We cannot say they are simply handsome profits, because they are actually disgusting profits. Their rates are having a very serious effect on employment generally.

Now, I would like to mention another thing this afternoon, and I am glad the hon. member for Temiskaming (Mr. Herbert) is back in his seat. The other day he assured me in this House that, as far as he was personally concerned, he was in favour of keeping the diesel firemen in service on the Ontario Northland Railway and allied operations. At the very moment he was giving me this information, the manager of the railway company itself had written to the railway union president in Montreal, telling him that he wanted to open negotiations to cancel the existing collective bargaining agreements so that firemen could be removed from service in the Ontario Northland Railway.

I may say, Mr. Chairman, that I have discussed this since with the hon. Prime Minister and he has assured me he has the same feeling about the matter as has the hon. member for Temiskaming. I am sure the people up there would be very pleased to know that.

I want to say some more about that subject, particularly with reference to what the hon. Minister has said about his concern for doing something about unemployment and the thinking about people of this country.

I want to say to you, Mr. Chairman, today, that the rape of the trade union movement is underway, and the culprit is the so-called Canadian Pacific Railway, aided and abetted by the foreign holders of the bulk of the ordinary stock, who are the people who selected the site for the crime.

I do not think there are too many Canadians aware that the controlling stock, the ordinary voting stock of the Canadian Pacific Railway is in American hands. I think this is significant, in view of the fact that not one single American railroad is involved in any way in this matter. As a matter of fact, almost all American railroads, certainly all the large carriers without exception, have signed 3- to 5-year collective bargaining agreements with their firemen.

Now, here is a case where they picked on an innocent victim. What they did was this, in plain and simple English:

These people sat down in the United States and picked out a weak union, that is to say weak in numerical strength, and dragged it into the bushes for assault. The only thing that happened there was the Canadian Pacific

Railway did not realize that the victims could identify their assailants.

Now, it is going to produce serious economic chaos—I see some grins across the way, but I want to assure hon. members of this, and I am not trying to be pessimistic when I say it—we are in for a period of economic trial in this country, and I am sure we are all going to do our level best to work our way out of it. But if this particular railway company is to get away with this attempt to strangle the railway union movement, we are going to have a general strike on our hands the likes of which we have never seen in this country, something of the shades of the 1919 general strike.

Now, I have been in touch with the Rt. hon. Prime Minister of Canada, too, about this and Rt. hon. Mr. Diefenbaker advised me by letter yesterday that he is taking a close look at this thing and, as a matter of fact, was just as surprised as I was about some of the actual facts of this situation.

Mr. Grossman: "Diefy" will fix it up.

Mr. Wren: Well, I am telling the hon. members that if he does not, it will be just too bad.

The hon. Minister was talking a little while ago about socialistic votes. If the Rt. hon. Prime Minister does not act, he is going to hand the socialists a half-million votes on a silver platter. If we think we have trouble now, we will have much more if we wait until that happens.

Now I would like to discuss some other aspects of this Kellogg report. We have heard a lot in this labour relations committee, and I am not discussing any aspects of the committee's work, but during the work of the labour relations committee we heard a great deal about these high priced lawyers, how they are gouging the public. I want to say this for this House, Mr. Chairman, in all sincerity, that I do not think there was ever a trade union that was sold down the river, by a so-called high priced lawyer, any more definitely than was the union I am discussing. Now their lawyer was paid fees from \$200 to \$250 a day plus expenses, and the very meat of the subject, which should have been presented before the Royal commission—which was in the interest of the public itself and the interest of public safety, and in the interest of the men—was not presented. As a matter of fact, I have a copy of the Royal commission's report here, and if hon. members look through this book, and through this report, they will learn what—

Hon. Mr. Roberts: What high-priced lawyer is he referring to?

Mr. Wren: Mr. Lewis.

Hon. Mr. Roberts: Mr. David Lewis?

Mr. Wren: Yes, he is one of the CCF executives.

Mr. Grossman: He surely did not take all that, did he?

An hon. member: He donated some of the cash.

Mr. Wren: I do not know where he is going to use it, but certainly the union did not get the benefit of it.

Another point I want to make about this Royal commission report—on pages 18, 19 and so on of this report, it is evident that the commission wandered all over Europe. They went to the United Kingdom, to France, to Switzerland, to Italy. They had themselves a real junket. They did not take a look at the operation of one single American railroad. Not one.

At the insistence of the railway companies, when the union selected the spots where the Royal commission would have a look at the operations, it was made mandatory that the union inform the commission in advance, give them two or three weeks' notice of the spots selected. Naturally, the railroad company by the time of the visit had the finest set-up one could imagine.

For example, out in western Canada, where it is indeed vital to have a full complement of train crew on each train, they took them out there at a time when not one box car of grain was moving, because we just were not moving any grain at the time. And yet, in a normal year, or a year when grain is being moved, about every 5 or 6 miles, there is a switching spur for grain and the attendant box-car handling operations.

The Royal commission did not see any of that. They did not go up to Kenora or Sioux Lookout or Fort William, for example, in the middle of winter when the snow was blowing and it was 40 or 50 degrees below zero. They did not see any of these things, but they had this junket around Europe.

Without any disrespect to the operators of railroads in the United Kingdom—and I have ridden on lots of them and say they have a fine transportation system there—the conditions under which they operate have no comparison to ours. The trains themselves are as toys compared to ours.

Another thing they made a great issue out of in this report, and I wish hon. members would all read it, is this: They made a great issue about the so-called "dead man equipment" that is on diesel locomotives. If anything happens to the operator, they said, immediately this automatic equipment will go into operation and the train will stop.

That is so much nonsense. I know perfectly well that the commission members would not have said what they did if they had known how the device operates.

How it operates is simply this: When something does happen to the operator, and the dead man equipment goes into action, it involves what is called a "service application of the air-brake." The train will then move for a length, perhaps, of a quarter-mile before the brakes themselves start into the emergency operation, and it will take approximately 5,700 feet to stop a normal freight train. Now, that is over a mile—well, a normal freight train does not stop until it has gone over a mile.

I would ask hon. members to go and talk to some of the men who supervise railway operations. If they talk to some of the yardmasters and the trainmasters and the road foremen of engines, and those sort of people who have to operate these railroads, they will be told in a minute that these railway men do not dare say anything publicly, because they will lose their jobs. What the operators will tell hon. members is that, if these men are taken off these locomotives, they themselves are going to look for other jobs because they do not want the responsibility of handling or directing the operations of the railroad without the full complement.

Another thing that is asked is why these people expect to get something for nothing. Well, they are not getting something for nothing. These diesel locomotives are not automatic—they are not automatic by any stretch of the imagination. It takes a great deal of fortitude to operate these trains at the high speed they operate them at today. You cannot train a man overnight to operate a full tonnage freight train.

Another thing they will talk about, too, is the productivity of unions. They will say, "Why cannot we get some benefit from these technological advances?" Well, the unions went right along with them (very foolishly they discover now) but there was a time, under collective bargaining agreements, when for each locomotive unit that went off the shop track, there had to be a crew on it, whether the train was being

double-headered, triple-headered or what it was.

Now, the one crew operates up to 4 units on that train. They are hauling 3 or 4 times as much tonnage, and with the same train crew on the tail end. Their productivity is actually increased, and they have co-operated with the railways to increase their productivity as much as 600 and 700 per cent., and this is what they get for it.

There is no other trade union in the world that can show that increase in productivity. Not a single one. Yet, that is one of the great arguments that the Canadian Pacific Railway counsel puts up to the Royal commission. They asked the men to do this for them some years ago, then after they co-operated with the railway to increase efficiency and productivity, they are winding up in this situation.

I want to relate another situation that happened just west of Sioux Lookout just two or three years ago. Some "wise guy" in the Canadian National Railways said: "There are two or three operators in that line we do not need. They're sitting down there reading magazines, and we could do without them. We are going to save 3 salaries."

They did do away with them, and it was not two weeks later until the chief dispatcher from Winnipeg, who operates the control over the area right down to Armstrong, phoned the superintendent at Sioux Lookout and said: "Call out the wrecking train."

The superintendent said, "Where is the wreck?" He said: "I do not know. I have 2 trains moving in opposite directions. They are about 25 minutes apart. The operators I used to have are no longer there, and I cannot stop the trains."

Those trains did hit, 20 minutes later. Four men were killed and another was crippled for life, and it cost the railway in damage claims—they were what are called "hot shot" speed freights or merchandise freights—it cost the company over \$940,000 in damages. They could have paid those men's salaries for 263 years and still been money ahead, even if they had done nothing at all. But they do not care about that. The hon. Minister can look that up and see in his compensation file where we—when I say we, the province—have 4 families on our hands until those children are educated, or until the widows get married again. We have another man crippled for life as a result of it.

The railways are dollar conscious before they are safety conscious. And that is exactly

what is happening again. I am telling hon. members today that if the railways are allowed to get away with this thing, we are going to see wrecks in greater number than we have ever seen before, and we are going to see experienced men, good men who, out of necessity, are going to have to leave their jobs.

I am suggesting to hon. members, the Canadian Pacific Railway and anyone else, that they cannot suck and whistle at the same time. If they want the trade union movement to co-operate with them in matters of productivity and the benefits of technology, and all the benefits we derive from automation generally, then they have got to play the game too. It cannot be all one-sided.

The campaign to counteract this has been started. The first meeting will take place in Toronto tonight. There is another one next Monday night here. There will be one in Montreal, Winnipeg, Calgary, from coast to coast. And every hon. member of this Legislature, and every hon. member of the House of Commons, and every candidate for membership, is quite free to come up and talk to these people because the public is going to be told the story.

They have heard the railway side of the story now, through expert public relations counsel with whom I have no quarrel. They were hired to do a good job and they did a good job, but the men sat back and trusted them and did not say very much, and they are not in a position where with the newspapers, they are handling any advertising and other accounts to get their message into the papers themselves.

Now, we are going to get this information into all the daily, all the weekly papers, give them all they want to print.

But I am appealing to hon. members on behalf of these men, and I am not appealing on the basis that they might vote for me because there are not enough of them in my riding to make that difference. I am just appealing to hon. members on the basis of fairness; on the basis that if we do not back up the labour union movement now, with a sympathetic look at their problems, they are never going to trust us again.

And here is a group that have placed their trust in us, and here is a group, who, as with all other trade union groups, back us to the limit as long as we are willing to see to it that they are not throttled by interests which are foreign to this country.

Mr. R. Gisborn (Wentworth East): Mr. Chairman, I would like to say a few words before we go into the vote on the estimates.

I agree with the hon. Minister of Labour that we have the select committee set up and they are going to look after, I hope, the problems of providing in the Act the things we need to make it workable and satisfactory to all. Now I am going to say something about the trade union movement later on in the budget speech or in the speech on the Throne debate. But there is a point I would like to make today, and that is, it seems to me that about the only time the hon. Minister pays some attention to the trade union movement is when he makes his speech regarding the estimates.

Hon. Mr. Daley: I deal with them every day.

Mr. Gisborn: Yes, I would agree that maybe he does, but the trade union movement does not feel that is the case, because the office of the hon. Minister is one that should try to bring about the best possible relationship with those people involved in the trade union movement, and when they request of his office an opinion or a decision or anything that his office is responsible for, they at least expect an answer either favouring something they want or otherwise.

Last year, in my speech on the Throne debate, I dealt with some of the loopholes in The Labour Relations Act and I mentioned a particular case in Hamilton where the union, after being certified, had attempted to bargain with their employer. The employer just refused to bargain, and they mentioned the fact that we should have provisions in the Act to make bargaining, in good faith, compulsory.

But this particular union was forced to go on strike because, in our opinion, the company would not bargain in good faith. And in November, 1956, this particular union, as I mentioned in my speech last year, asked the hon. Minister to intervene, and see if he could help them out with their problem, and up to this time, that union has not had an answer to their correspondence.

Hon. Mr. Daley: It must be over by now, then.

Mr. Gisborn: Yes, the problem is over by now, the strike was smashed, and the company are operating with some employees at sub-standard wages.

But the point I want to make is that the hon. Minister is not doing the job that he should do, just on one very small minor point. I am going to deal much further with this later on, in my opportunity on the Throne speech. But in May, 1956, the journeymen's

barbers, hairdressers and cosmetologists union submitted to the hon. Minister some of the things they felt should be changed in The Industrial Standards Act. In May, 1956, and up till this time they have not had an answer to their questions to the hon. Minister.

Hon. Mr. Daley: My goodness, we have been dealing with these people week after week—not me personally in every instance, but through the department. I have asked that they be called in, and they have been in.

Mr. Gisborn: Up to a few days ago, they have not had an answer to their correspondence from the department. That is the information I get from their organization.

Now to further document the point I want to make:

On the particular matter that I brought up last year, when this particular union did not receive an answer from the hon. Minister, their problem was taken to the Hamilton labour council, and because they felt that the hon. Minister's department had not answered their correspondence, they wrote to the hon. Prime Minister and this was the correspondence:

Our council is very disturbed over the situation that has developed between Metal Textile Corporation, Catharine St. North, Hamilton, and Local 287, United Textile Workers of America. This union, following the procedure outlined in The Ontario Labour Relations Act, was duly certified as a collective bargaining agent for the employees of this firm.

Management refused to bargain with the union, and when developments had reached the stage of a conciliation board, they refused to submit evidence to the board.

This is a board that was set up in accordance with the Act.

Here is a case where the union in every instance followed not only the provisions of the Act, but in intent as well, while management accorded the provisions of the Act the most minimum attention, and we could well say completely flouted the intent.

In a list of many similar cases, this probably indicated the most flagrant breach of good faith any company had indulged in, and the dispute went on and on, until the union finally asked that the hon. Prime Minister's office contact their department, asking for an answer to their problem. It ended this way:

Be it resolved that we condemn the Ontario government for not being prepared

to have labour legislation with teeth in it, to force employers to bargain in good faith, and we so advise the Ontario government and our two provincial federations to this effect. Would you please advise this council if our provincial government intends to correct this serious lack of enforcement provisions in our Ontario Labour Relations Act.

Well, that was sent on February, 1957, and they were referring to the Metal Textile case that happened in November, 1956.

On February 18, the secretary of the labour council received this correspondence from Mr. Young, the executive assistant to the hon. Prime Minister's office.

I have for acknowledgement your letter of February 12, in connection with the Metal Textile Corporation of Hamilton, and wish to advise you that a copy of same will be sent to the hon. Mr. Daley, Minister of Labour, for his information, as such matters come under the jurisdiction of his department.

On March 4, Mr. Cooke, the secretary of the Labour Council sent this letter to Mr. Young:

We received your letter of February 18, informing us that labour matters come under The Department of Labour, and in case you felt otherwise, we were very much aware of this before we wrote the hon. Prime Minister. The fact is that the union involved in the Metal Textile Corporation strike had appealed to the hon. Minister of Labour as set forth in our letter, and we saw no point in writing the hon. Minister of Labour about it, because to date, the United Textile Workers of America have not even been given the courtesy of a reply from the hon. Minister of Labour.

Our council would appreciate it, if the hon. Prime Minister would take note of the complaints forwarded to him, because regardless of whom he has in charge of the department, it is the hon. Prime Minister on whom the responsibility falls for the behaviour of one of his Ministers.

I trust you will in future read the mails and give some attention to it, rather than refer it to someone who has already chosen to ignore it.

On March 11, and I would like to say, Mr. Chairman, that this is not the correspondence just sent by the wish of one person, but it is duly done as a council and

the instructions are given to the secretary of the labour council by the delegates. On March 11, Mr. Cooke, secretary of the council, received this correspondence from Mr. Young, the assistant to the hon. Prime Minister's office.

I have for acknowledgment your letter of March 4, and would like to add to my former letter, that all the important documents such as that received from your organization, are without exception referred to the Prime Minister prior to being sent to the Minister directly in charge of that particular part of Ontario legislation.

On April 2, the secretary of the council had to send this letter, on instructions from the council, to the hon. Prime Minister:

On February 12, we wrote you in connection with a resolution passed by our council arising out of the difficulties between the United Textile Workers of America, affiliates of our council and the Metal Textile Corporation of Hamilton. In this letter we also advised you that the hon. Charles Daley, Minister of Labour has yet to reply to the letter dated November 3, 1956, sent to him by the United Textile Workers of America, nor did he intervene as they had requested.

On February 18, 1957, Mr. E. J. Young, your executive assistant, acknowledged our letter to you, advising it had been passed along to the hon. Mr. Daley. On March 4, we wrote Mr. Young, stating we felt the mere sending of a copy of our letter to Mr. Daley was futile, since he had already chosen to ignore previous correspondence and that the whole point of writing you had been to draw this matter to your attention.

On March 11, Mr. Young again wrote us, assuring us that such letters were always referred to you prior to being sent to the Minister concerned. Our council delegates are quite concerned. We have not been able to receive any reply regarding the contents of our letter of February 12, and the United Textile Workers of America's letter of November 3.

They have instructed the writer to pursue this matter, as they desire an answer to the contents of the letters, and are not satisfied with a letter from your office advising us that you have received our letters.

Would you, therefore, please reply to our letter of February 12, wherein we asked

you to advise this council if the government of Ontario intends to correct the serious lack of enforcement provisions in The Ontario Labour Relations Act.

In addition, we would ask that you advise us why the Minister of Labour, Mr. Daley, did not reply to the November 3, 1956, letter of the United Textile Workers union of America, and why he took no action upon their request.

We would advise that these are matters of very grave concern to the 31,000 trade union members this council represents in Hamilton, and that is their feeling that you, as Prime Minister, have the responsibility of seeing that your cabinet ministers discharge their duties properly.

May we look forward to a complete and early reply.

Now on July 3, without having any answer, the secretary was instructed to send this letter to the hon. Prime Minister.

Hon. Mr. Dunbar: They were kind of giving them the run around.

Mr. Gisborn: Run around? I would say it is the run around.

Would you please reply to the series of letters we have sent you, the latest of which was dated April 2, 1957.

Now, on July 5, we received this letter from Mr. McIntyre, secretary of the cabinet. Mr. Cooke received it as secretary of the labour council.

Your letter of July 31—[obviously, Mr. Chairman, there was a mistake in dates there because it was dated July 5]—is received in the absence today of the hon. Leslie M. Frost. The matter to which you refer has been having the attention of officials here, and I am having the file referred back to this office for the attention of the Prime Minister at the beginning of next week.

So, on September 12, the secretary was instructed to write this letter to the hon. Prime Minister:

At the risk of seeming importunate we would again remind you that we have not yet received a reply to the series of letters we have sent you dated February 12, March 4, April 2, and July 3.

On September 17, the secretary of the council received this correspondence from Mr.

Young, executive assistant to the hon. Prime Minister's office:

In the absence of the Prime Minister I am acknowledging your letter of September 12 and must further apologize for the delay in replying to your letter which is being given careful consideration.

Then on October 25, lo and behold, Mr. Cooke received this correspondence from, I believe it would be, Mr. M. McMillan, secretary to the Minister of Labour:

Mr. Daley has received several notices from the Prime Minister's office advising that a group of letters received from you were forwarded to the Minister.

After a careful search in this office, we do not seem to have received the same. Would it be possible for you to forward copies direct to this office and they will receive Mr. Daley's attention.

Then, on October 26, Mr. Cooke wrote to the secretary of the Minister of Labour, Mr. M. McMillan:

As requested by your letter of October 25, we attach copies of the correspondence to which you refer.

We are surprised to learn that they have been mislaid, as the last advice we received was that it was being given careful consideration. We are pleased to learn that the correspondence which originated 8½ months ago will now receive Mr. Daley's attention.

Mr. Grossman: That correspondence must have been designed to help the unemployment situation.

Mr. Gisborn: Well, it might do as much as what this government has done at least. It has not done anything.

Then, on December 11, 1957, because we had not yet received a reply to our request, the council was instructed to send this correspondence:

On October 28, we replied to your letter of October 25, sending copies of the file of correspondence which originated February 12, 1957. To date we have received no reply.

Hon. Mr. Daley: I could not make head or tail of it.

Mr. Gisborn: The correspondence goes on to say this. Yes, I would agree, maybe the hon. Minister cannot make head or tail of it because there was no consideration given to it.

For 10 months less 1 day, we have been awaiting a reply. It is true we have been more or less in constant correspondence, but always on the basis that we have been reminding the government of the province of Ontario that we have not yet received a reply to our original letter of February 12.

Those we did receive, merely advised of referral, or that consideration was being given, or that it was being held pending the return of some individual from out of town.

Could we now expect to receive a reply to our letter of February 12, this month, or must we carry this file over into the new year?

Hon. Mr. Dunbar: It is the hunting season.

Mr. Gisborn: I had to take the opportunity to make this point because I think that correspondence, regarding some of the problems affecting the trade union movement, should be answered. I feel they are entitled to a reply. I am going to say something more about the trade union movement at my next opportunity.

Vote 801 agreed to.

On vote 802:

Mr. T. D. Thomas (Oshawa): Last year when the hon. Minister was speaking and presenting these estimates, he mentioned the cost of printing the books and the stamps for vacations with pay, and he said that he had arrived at the conclusion that it was so costly that they were seriously thinking of paying the workers in cash, but he wondered at that time what the reaction of the trade union movement would be. Now the question I would like to ask the hon. Minister is this: What has been the reaction?

Hon. Mr. Daley: Very much against it.

Mr. Thomas: Against it?

Hon. Mr. Daley: Organized labour feels that the system that we have accomplishes a great deal, and the difficulties of policing and one thing and another without this system would create havoc.

Mr. Gisborn: This might be the proper place to ask this question: Has the hon. Minister made provision for any monies for added education in regard to The Fair Accommodation Practices Act or The Fair Employment Practices Act, or any provisions for monies for an extended programme on education? I believe it was mentioned in the speech from the Throne, and I am wondering just what the programme is going to be.

Hon. Mr. Daley: These estimates, of course, were prepared before that was announced. The money will be found, but it is not in these estimates.

Mr. Gisborn: But there is going to be a programme on education on anti-discrimination?

Hon. Mr. Daley: I am sure, an educational programme, yes.

Vote 802 agreed to.

On vote 803:

Mr. R. Whicher (Bruce): Mr. Chairman, I would like to ask the hon. Minister if he would give an explanation of this apprenticeship branch. I am not familiar with it. Just what do they do, what are their duties?

Mr. Thomas: Before the hon. Minister answers that question, I asked something along the same lines, too. In the debate last year when the hon. Minister presented his estimates he said this, and I quote from the official *Hansard*:

With all due deference to the hon. Minister of Education and my associates in the government, I feel we have not concentrated sufficiently on the part of education which must be the basis on which industrial development must proceed and it is the training of apprentices in skilled trades.

Now, he was very much disappointed last year. I wonder if there has been an improvement in the situation since that time?

Hon. Mr. Daley: Yes, I would want to assure the hon. member that there is an improvement. I just do not have the figures available but I would try to get them for him, but there is an improvement in the number of apprentices.

Now, the other question: What do we do in that regard? Well, of course, we try to supervise apprentices. The apprentice first gets his job with the employer, he is indentured to an employer for a certain period of time to learn his trade. We have the records, I inspect and check to see if that boy is securing proper training and that he is not just being used as a labourer and learning nothing.

Then for two months, or, I believe, different periods, each year he is required to come into the training school where he receives technical training.

To explain it a little more, a boy may be employed by an employer, and he may

not care whether this boy learns the trade; he is a good worker, he can pass in carpentry maybe if that is what he wants him to do, but under this — in this boy comes in and he gets a real training, how to frame a roof and how to do the finer things of the trade, so that when his term of apprenticeship is completed, he is a skilled man.

That is what I said in my remarks before, that the men today are more skilled than they were in my time because they have better opportunities to do this. And there are trade schools and one thing and another to which we contribute with the federal government, in caring for these schools, and looking after the apprentices and also the job of trying to get employers to take apprentices.

We do that type of work, we go out and find out why a man who has a business has no apprentice, we do quite a lot of that work.

And I can say that I think there is a decided improvement in it and we can stand more yet, because as I said at that time we want our own boys to become the mechanics and not have to import mechanics from all over the world.

Mr. Whicher: I would like to ask how long normally are these boys at these schools? Is it a one-year course, or two years, or how long it is when they are turned out as skilled men?

Hon. Mr. Daley: 13 weeks twice in 4 years.

Mr. Whicher: And they have to finance this themselves?

Hon. Mr. Daley: Oh, no, oh, no. We pay them and in a great many cases if their normal income from the employer is less or more than we pay them, a great many employers, realizing the value of this, make up the difference.

Mr. Thomas: The total appropriation for the apprenticeship branch for this year is \$557,000. Now, of course, there is a grant from the federal government I believe of 50 per cent. Now would that 50 per cent. grant be applicable to every item on that?

Hon. Mr. Daley: Just to the apprenticeship classes and a share of our cost of inspection and administration.

Mr. Thomas: It does not apply to salary?

Hon. Mr. Daley: Oh, yes.

Mr. F. R. Oliver (Leader of the Opposition): On the apprenticeship branch, Mr. Chairman, I had what I thought was a rather curious

situation in respect to garages. Now the one I have in mind particularly had an apprentice who had just about completed his term, and they were anxious to employ another apprentice, and were told, and I suppose it is contained within the regulations, that they could not employ a second apprentice because there had to be a relationship between the number of trade mechanics and the number of apprentices.

The one chap, as I said, was almost ready to advance into the fully-trained class, and it seemed to me when we are anxious to get these boys into training that a regulation of that kind was not completely necessary. I would like to hear the hon. Minister on that particular point.

Hon. Mr. Daley: There is an established ratio of apprentices to journeymen in every case. It applies to everything, otherwise you could have a bad effect on all apprentices, but I would agree with the hon. leader of the Opposition that things should be a little more flexible, and if the man had almost completed his apprenticeship, even at that time he could have been called a journeyman, and that would permit the employment of another apprentice. If the hon. leader of the Opposition could give me the instance, some time at his convenience—

Mr. Oliver: Oh, I have them appointed all right, but I mean it just seemed to me that there should not be any necessity of—

Hon. Mr. Daley: I think sometimes we are not flexible enough in some of these things.

Vote 803 agreed to.

On vote 804:

Mr. Whicher: Mr. Chairman, I have heard—it is not authenticated, but nevertheless a rumour—that the department is behind in such things as boiler inspection. Is there any truth to that?

Hon. Mr. Daley: No. Our boiler inspection is well manned, well staffed, at this time. We have had occasions when we lost a man and found it difficult to replace him, but we are well staffed now and I think doing a satisfactory job.

Mr. Whicher: How many inspectors are there?

Hon. Mr. Daley: 38.

On vote 805:

Mr. Thomas: Mr. Chairman, I think the particular question that I wish to ask the hon. Minister would come under this item, and

that is, the question of air pollution in the factories themselves.

As hon. members know, I was a member of the air pollution committee, and in our travels around this country and the United States, the conclusion I came to, at that time, was that it was just unfortunate that the terms of reference of the committee were not extended into factory interiors, because in some of the places we went to there was a very great problem. In the issuing of permits for the building of new plants in any particular industry, does The Department of Labour consult with The Department of Health respecting the regulations?

Hon. Mr. Daley: We work very closely with them.

Mr. Thomas: Fine.

Mr. P. Manley (Stormont): Mr. Chairman, on vote 805, are there sufficient inspectors for the factory inspection branch, or what additional—

Hon. Mr. Daley: We are changing, we are increasing areas in industry, we are changing our zones from time to time. If I remember correctly, two men died in the last year, I think, and we have other men who reach the age of retirement, and we are continually replacing, rebuilding, and at this moment, we are endeavouring to get 2 or 3 more men to qualify for that type of work.

But generally speaking, I would say we do have ample.

Mr. Manley: Is the department behind with its factory inspection work, could I ask the hon. Minister that?

Hon. Mr. Daley: No, I would say not. We have 51 inspectors. But, as I say, there are changes from time to time, a man retires or passes away and new appointments are made, and as we re-examine the area—in a place where today there were only a few industries, one man handles it reasonably well, but in a few months there are 4 new ones in there, and then we find we have to shift the zones and maybe put another man in that area. It is a question of change, and trial and maybe some errors as we go along.

Mr. Manley: Could the hon. Minister give us an indication as to what the inspection does consist of, whenever inspectors go to a certain plant? How often are the plants inspected, is it on a yearly basis, twice a year, or how often?

Hon. Mr. Daley: We certainly would inspect them at least once a year, and we look

for hazards to safety and health, the things the hon. member for Oshawa mentioned. We look at ventilation; safety guards on machines, proper stairways for escape in case of fire, particularly where new additions have been built. But, of course, under the Act, plans are supposed to be submitted where changes are going to be made, and that is supposed to be corrected in the office. But a trained inspector looks for every type of thing when he goes in to an industry to protect the workers from unnecessary hazards.

Mr. Manley: Mr. Chairman, in regard also to this factory inspection, do inspectors look to see that the factory has been properly manned as to the number of first-class engineers, second-class engineers or whatever the case might be in the plant?

Hon. Mr. Daley: That comes under another Act, The Operating Engineers Act. Oh yes, that is very well looked after, and I will tell the hon. member that if we do not and they are not properly manned, we soon hear of it from the operating engineers. They quickly draw these things to our attention.

Mr. Thomas: Mr. Chairman, a week or two ago I was approached by some members of the steelworkers union in Oshawa, and they complained very bitterly about the delay in the revision of the foundry regulations. I am quite sure the hon. Minister is aware of this.

The revision has been underway for over two years and yet nothing has been done about it. Now I would like to ask the hon. Minister if he would care to comment on the reason for the delay.

Hon. Mr. Daley: The reason for the delay is that we are trying to be realistic in the preparation of regulations. Where regulations cover new developments and new foundries, we have no trouble, no trouble at all. But we also have well established foundries which are operated in a small way, and if we try to make regulations that will demand the same type of protection for the worker that we demand from the new foundries, we simply close the man up, he could not possibly afford to do it. So we have to look at these things with great care.

Three or five years ago, I guess, I asked two special inspectors to go into a place of this type, in an endeavour to get the management to move towards a better condition gradually, and we had great success at that. We have found that they have done good work, and that the owners were co-operative.

But we cannot impose on them. If they have to put in a ventilation system, this plan

will cost them \$30,000. Some just cannot do it. Now then, we try to get a company set by some simple way, and of course we have to give them time, and that is really why there is so much delay.

I know there has been delay, but it is an endeavour to keep an industry alive and yet eventually have it come around to the kind of place that we want it to be. We are in a position just like the grain elevators in the country were after those big explosions several years ago. We had to make some regulations which we did, in co-operation with the people who operated them and the unions, but we could not go in there and say: "Now tomorrow, either you close this elevator or you put all these things in." We had to give them 5 years, but they had to be started, and I think that today our grain elevators are in very good shape.

It is the same with the foundries. We could go in and say: "Now you have got to do this or else," and we could do that, but would that be the thing to do in this country? These people employ workers and they want to stay in business, and we have to work with them to bring about the condition that we consider to be desirable.

Vote 805 agreed to.

On vote 806:

Mr. G. T. Gordon (Brantford): Mr. Chairman, how many examiners are there on this board?

Hon. Mr. Daley: Of the operating engineers?

Mr. Gordon: Yes.

Hon. Mr. Daley: Examiners?

Mr. Gordon: Yes.

Hon. Mr. Daley: 4.

Mr. Gordon: I understand the department had 4 in 1920, and they still have 4, and the institute of power engineers has a brief they presented to the select committee on labour in connection with this.

Now, the hon. member for Stormont was on the wrong track concerning the question he was asking in connection with factory inspection. He really did not mean factory inspection, he meant this, our engineers.

He has had the same complaint as I have had; there are industries in Brantford which do not have qualified engineers, they have third-class engineers doing a second-class man's job, and they complain very bitterly

about it. The department has only the same number of examiners today as they had a number of years ago, and yet this year their amount for this appropriation, for this branch, is \$30,000 more than last year's.

Hon. Mr. Daley: We are putting on two more.

Mr. Gordon: Two more examiners?

Hon. Mr. Daley: That is another thing now, we have to look at these things from a reasonable point of view. I may be wrong, but I think there are cases where we have a plant going, and one of the men holding the second-class papers is ill, or something happens to him, and the third-class man is quite able to maintain the operation of that plant because he has been in the plant for years, and he is available. What are we going to do, are we going to close the plant up? That is the only thing to do, if they cannot get a second-class engineer right then.

Mr. Gordon: The thing to do is to have more engineers, but the hon. Minister has not got enough examiners to examine them.

Hon. Mr. Daley: Oh, that does not affect it at all, we have all the examiners we need.

Mr. Thomas: Now, here is a factory, Ontario Penman's, and this plant has been practically operating with fourth-class shift engineers for years—

Hon. Mr. Daley: We have all the inspection we need, we are putting a couple more inspectors on to build it up a little, but that is not the reason. The reason is, that there just are not enough top engineers in the country.

Our inspector, Mr. Grinley, said a certain man is quite capable of operating this plant, but that he has not got the second-class papers, but he will apply for them. If this job is going to be open for him, he will write for the examination. I am not going to say to a plant manager: "I do not know what your business is, but if you have a plant without a qualified engineer you have to close up until you get such a man." If that plant manager could not get him, such an ultimatum would throw a lot of people out of work. We have to use judgment in those things.

Mr. Gordon: Well, what I first said still holds, that there were 4 in 1920, and there are still 4 now, and that is the reason that the situation is as it is. There are not enough examiners.

Vote 806 agreed to.

On vote 807:

Mr. Gisborn: Mr. Chairman, I would ask the hon. Minister, through you, has there in the last year been any request from management or labour for the licencing of diesel traction locomotive operators? In the last 10 years there has been almost a complete change from steam to diesel traction in industries. Has there been a request in the last year for the licencing of the diesel operators?

Hon. Mr. Daley: No, I do not think so, no, we have had no request.

Vote 807 agreed to.

On vote 808:

Mr. Whicher: I would like to ask the hon. Minister if the minimum wage for women is the same as last year, or what is it?

Hon. Mr. Daley: Yes, it is, and it is something that if conditions remain as they are, we are going to have to take another look at. We are not the highest in Canada, but we are certainly not the lowest.

Of course, in today's market there are very few women who are being paid that minimum wage. We said that was a floor below which they could not go, but I would venture to say that most people are being paid in excess of that. What I have in mind, having another look now—

Mr. Oliver: When was the last change made?

Hon. Mr. Daley: Two or three years ago.

Mr. Thomas: The cost of living has gone up since that time. I think it should be revised or reviewed anyway.

Hon. Mr. Daley: That is true, it may lag a little bit in these things. But the women are not being paid this minimum wage, they are being paid more than that. We do not want to get this minimum wage up to a point where it becomes a maximum—

Mr. Gisborn: Well, I think it should be given consideration because it is used as a yard-stick, and let us not kid ourselves. When people try to get increases in their wages, management points to anything that is there, and they say: "Well, this is a minimum for the province of Ontario, and we are giving you so much above it."

Now, I think it should be given consideration and brought up to something that is realistic. We have been talking about taking a realistic look at things, let us bring it up to a point where, if management is going to use

it as a yard-stick, it is, at least, in a position where it can be looked at realistically.

Votes 808 and 809 agreed to.

On vote 810:

Mr. Oliver: I would like to ask the hon. Minister if the government, outside this department, has helped the Whitby hockey team, for instance, in any way, to pay their expenses?

Hon. Mr. Daley: Yes, we gave them \$1,000.

Mr. Oliver: The hon. Minister gave \$1,000?

Hon. Mr. Daley: Yes.

Mr. A. H. Cowling (High Park): I want to congratulate the hon. Minister for the good job he is doing in his department, in the grants and money and leadership the department is giving to amateur sport in the province. Now, in the British Empire games, a year or two ago, this province donated \$7,500, and at the Olympics, in 1956, in Australia, I think we donated something like \$10,000 to help in the training there.

Now, the 1960 Olympics will be held in Rome, and the 1964 Olympics we hope will be held here in Toronto.

It is necessary to apply and make arrangements to have the Olympic Games in any city or country 5 years prior to the actual date they are held, so that we will have to apply, if we are going to have them in Toronto, by 1959. So I am giving the suggestion real early that the province start giving pretty serious consideration to a substantial grant if these Olympics are brought to Toronto. We will have to enlarge our stadium facilities, the swimming facilities and so on—

Mr. Thomas: We always look after Toronto.

Mr. Cowling: What is that?

Mr. Thomas: We always look after Toronto.

Mr. Cowling: Well, of course, when I say Toronto, it would be quite an honour for the whole of Canada to have the Olympic Games here. I know that the federal government has a large part to play in this, too, but it seems to me that, with government giving the leadership in this programme, together with the great industry in Canada, we should be able to get enough money together to really put on the Olympics as we should be proud to put them on in Canada, and in Toronto.

It was my good fortune here just a couple of days ago, to see coloured pictures, down at the council chamber in Toronto, of the 1956 Olympics in Australia. It is really a

beautiful and wonderful sight to see, a very thrilling thing, to see the athletes from all over the world, from every country marching along together, the red flag of Russia right beside our own Union Jack, and so on, which all points out that these sports are a great leveller and a wonderful thing to help keep peace in the world.

So would the hon. Minister allow me to make this suggestion, and the reason I am doing it is because we must make the decision by 1959 to invite the 1964 Olympics to Toronto.

Mr. A. Grossman (St. Andrew): Mr. Chairman, I did not know, until the hon. member for High Park began discussing the question of grants, that the office of athletics commissioner did make grants for these sports organizations, and this is probably just as good a time as any to raise a matter which I have had in my mind for some time.

There is in Toronto a Hungarian water polo team consisting of many members who in Hungary represented that country in the Olympics. Under very trying circumstances, they have organized a team here and won the Toronto championships. They are now the Ontario champions, and as I say, they have been operating under very trying circumstances.

They must go to Montreal to attempt to win the Canadian championship, and there is no way at all for them to raise the funds for such a trip. As a matter of fact, they are so enthusiastic about this team that they convinced a gentleman to come in from the west to try to find a job here so he could be their goalie, and the other members of the team, under very difficult circumstances, are attempting to keep that man in Toronto.

Now, am I to understand, Mr. Chairman, from the hon. Minister, that a request to the office of the athletics commissioner might be conducive to getting some assistance for this team to make a trip to Montreal for this purpose?

Hon. Mr. Daley: I think we would be very likely to help out an organization like that, particularly as the hon. member has raised it. But I cannot see how sending a team to Montreal would come under our system at all. We did give a grant to the Whitby boys who are going to represent Canada, and this province, in the world games, and we have helped to train some Olympics material by giving a grant to some club where they were going to develop for the Olympic Games, and we have given a grant to the Olympics committee.

But I do not think the hon. member would expect that we could start sending teams from one town to another. I could get 1,000 applications like that tomorrow.

Mr. Whicher: Mr. Chairman, I would like to ask the hon. Minister: Some months ago we saw that the national hockey league players were attempting to bargain with the hockey owners, and I would like to know if they approached The Department of Labour at all, particularly the office of the athletics commissioner of Ontario?

Hon. Mr. Daley: Oh yes, they had many meetings with the labour relations board. I do not know whether a decision has been reached—the thing has been dropped. They issued a suit for \$3 million, for one thing, against the national hockey league—well, they finally got together and I saw Ted Lindsay on television the other night explaining it, and he said they had sat down with management and they had a lot of the grievances out of the way and they were going along quite happy now, so the thing is really dropped.

Votes 810 and 811 agreed to.

Mr. Thomas: Before the estimates are finally approved, I would like to speak for a moment briefly and ask the hon. Minister what he is prepared to do about accident prevention.

As we know, in 1949, Mr. Justice Roach recommended that there should be worker representation on the accident prevention committees.

Now, the hon. Minister has blown hot and cold on this particular thing over the years. I can remember two or three years ago when I made a similar request to him, that he said, at that time, it was lack of accommodation, and when they got into the new building they might go along with the idea.

I do sincerely feel, Mr. Chairman, that the workers in industry are very much interested in accident prevention. Because the premiums are paid by the employers, they too are interested, but their interest is in the question of money. I think the worker has a much greater interest because to him it might mean the loss of a limb or life itself.

I think the time is long overdue when intelligent people in industry, workers in the factory, should have an opportunity of giving of their knowledge and giving information that would help in this very great work of accident prevention. I would like to ask the hon. Minister what he is prepared to do about it at this time.

Hon. Mr. Daley: Well, I am about in the same position as I was. I think we have very good accident prevention. I do not say it could not be improved.

Mr. Thomas: I could be improved.

Hon. Mr. Daley: I do not say it could not be improved, I would like it improved to the point where we did not have any accidents, but that is not possible. With human nature, we will have them. Our industrial organizations are spending something like \$2 million—I am speaking from memory—which the workmen's compensation pays out to victims. This money all comes from industry.

I have been down at some of their conventions, there are a couple coming on very soon now, and we can find 1,000 people, voluntary workers, at these conventions who have almost dedicated themselves to accident prevention.

I do not want to discourage these people and say: "You are not right because you have not a representative of labour in your organization at all." They all work in plants, they are all industrial people.

Mr. Thomas: People working in the industry, having practical experience of the operation, surely would be in a position to make some contribution.

Hon. Mr. Daley: Well, surely they are, and I am sure these people who are appointed by the industry to develop safer methods for the workers—I know Mr. Justice Roach made some recommendation, but he did not give any answers. His approach was like a bunch of letters the hon. member for Wentworth East read. He did not tell us how it could be done, he thought it was easier to say, in general: "I think there is a better way of doing it."

Mr. Thomas: Well, he made a decision. It is up to the hon. Minister.

Hon. Mr. Daley: We are gradually improving the situation. The hon. member says the shortage of accommodation was the reason. I said that, when we had the accommodation, we would bring all the accident prevention groups together, and we now have them in our building. They used to be scattered all over, now we have them in the building, so there is greater connection between the workmen's compensation board and the accident prevention people. They work together very closely.

I must admit to the hon. member that I do not have an answer to improve the situa-

tion over what is already being done, and I am very happy as a resident of this country, outside of my official duty here, that there are so many good people who take such an active part in doing what they think is a good thing in the interest of the workers of this province.

On vote 812:

Mr. Whicher: May I ask the hon. Minister whether or not the money which is expended is collected within the ensuing year—the money which is expended for vacation with pay stamps? That is, collected again by the department within a stipulated period of time. Now, what is that period of time, Mr. Minister?

Hon. Mr. Daley: We start to sell stamps, that is where we get the money, by the sale of the stamps.

Mr. Whicher: Would the hon. Minister be more specific? I was wondering why we treat this as a capital expenditure, obviously it is expended and collected all in the course of one year. One would think that it should be in order, but—

Mr. Wintermeyer: One would think that it should be.

Hon. Mr. Daley: Of course, there might be stamps out which are not redeemed.

Mr. Whicher: But the balance would, by and large, certainly all be within the course of that one year?

Hon. Mr. Daley: That is right.

Vote 812 agreed to.

Hon. A. K. Roberts moves that the committee do now rise and report certain resolutions.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. H. M. Allen: The committee of supply begs to report certain resolutions and begs leave to sit again.

Motion agreed to.

Mr. Speaker: It being now 6.00 of the clock, I do now leave the chair.

Mr. Thomas: Mr. Speaker, would the government indicate what is likely to take place this evening?

Hon. A. K. Roberts (Attorney-General): Well, I anticipate that we will proceed in committee of the whole for a time this evening, and perhaps take the estimates of the Office of the Lieutenant-Governor and some other estimates as indicated yesterday, and resume the debate.

Mr. Gordon: I understood it would be Treasury estimates tonight.

Hon. Mr. Roberts: Well, it was intimated the Office of the Lieutenant-Governor and the Provincial Treasurer's department, I think.

Mr. Gordon: Well, does the hon. Attorney-General anticipate that the Treasury estimates will be called tonight?

Hon. Mr. Roberts: Yes.

It being 6.04 of the clock, p.m., the House took recess.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Thursday, March 6, 1958
Evening Session

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 6, 1958

8 O'CLOCK P.M.

The House resumed.

The House upon Order resolved itself into committee of supply.

SUPPLEMENTARY ESTIMATES

Hon. L. M. Frost (Prime Minister): Mr. Chairman, in presenting these supplementary estimates to the House, by way of explanation, I would like to refer to what the hon. member for Waterloo North (Mr. Wintermeyer) said in his budget presentation last Tuesday. There are some things that I think I would like to correct him on, and also to point out where he is in error in his figures.

He said:

A year ago, sitting together, we agreed that we would spend \$475 million, and I now say that, before the end of March, we will have spent \$580 million, or more than \$100 million more than we agreed upon a year ago.

Now, surely that is not good planning, surely that is not good administration and management. \$475 million is a lot of money, and one would expect the government to sit down and determine exactly what that expenditure would be in some real detail, instead of coming along 9 months later and saying: "We are sorry but we underestimated them slightly." And the slight amount, Mr. Speaker, is over \$100 million.

That is what my hon. friend said. Now, may I say this, that the estimates of expenditures, as made last year, were actually underspent to the extent of \$4.35 million. In other words, that the government lived within its estimates, and actually lived within them to an under-expenditure of \$4.35 million.

In the converse, in revenue, the original forecast of revenue made last year was \$574.-355 million. The interim forecast this year is \$582.118 million. An increase, in other words. An underestimate of revenue of \$7.763 million. An increase of 1.4 per cent.

This, I would say to my hon. friend, is very fine budgeting—that type of budgeting was never equalled in Ottawa in the "hey-day" of some of the parties which preceded the party that is now in office.

Now I want to make a brief explanation to the hon. member. I have no doubt that he understands this point, because he is a very able gentleman. The difference that he mentioned is not made up in over-expenditures at all, but is made up in 3 principal items, all of which this House has absolute control over.

We are not coming to the House and saying now: "We spent your money and therefore we want you to okay what we have done." That is not the case at all.

We are coming before you with this. As a matter of fact, with the interim revenues of about \$582 million, and over-estimated expenditures of \$491 million, it means that we have about \$90 million on hand.

I would say to my hon. friend that the \$90 million, of course, can be applied on the capital commitments of this province, and that is what we are asking hon. members in this House for authority to do. Now we have the money. It is in the bank. We have not spent it.

I would say this, that we come before this House with about \$90 million more than hon. members opposite expected us to have a year ago, and we say to them: "Now, what will we do with this?" This is our recommendation to them.

First of all, we say: "We recommend to you to apply \$18.122 million of that in supplementary estimates." Is that not correct? That is the amount.

Now then, concerning this amount, may I say a word about the surplus on ordinary account. I am very glad that my hon. friend from Waterloo North has put this into perspective, because the Opposition used to talk about swollen surpluses. As a matter of fact we had our great old friend down on King Street, in that high building down there, the *Star* building, convinced that it was a surplus, and I am glad to see through the hon. member's address he has corrected that, and now he takes the proper view, and I compliment him for that, I compliment the Opposition.

As a matter of fact, it is not a swollen surplus at all. It is a businesslike application of the surplus we are able to get on ordinary accounts, the application of that to the great

expenditures we must make in capital investment.

Now I say to my hon. friend from Bruce (Mr. Whicher) and also my hon. friend from, I think it was from Waterloo North, who told of our debt increasing at so much a minute, or so much a day. What was the figure he used? \$12,000 an hour.

Mr. R. Whicher (Bruce): It was \$12,000 an hour. That is quite a lot. Now let the hon. Prime Minister try to talk his way out of that one. It will take him a long time.

Hon. Mr. Frost: Oh yes, sure. I will point this out to my hon. friend.

Mr. Whicher: It will take him a long time.

Hon. Mr. Frost: Not as long as the hon. member thinks. But I point out to my hon. friend that he says the debt is increasing at \$12,000 an hour. May I point out that the revenue-producing assets of this province are increasing at the rate of \$36,000 an hour.

Mr. Whicher: He talked himself out of that one. Let him prove it, now.

Hon. Mr. Frost: I do not need to prove it, I mean it is quite obvious. If hon. members take the overall picture in the last 14 or 15 years, as I gave them the figures in the budget, we had spent in investments that better the revenue producing facilities of this province by—

Mr. Whicher: In worn-out highways in this province.

Hon. Mr. Frost: May I point out that, of the \$1,000 million, we have paid \$667 million in cash, right on the barrel head.

Now I was interested in looking at the statement tonight of one of our great corporations in this country. I saw their capital picture, the amount of money they were raising by means of new issues of capital, the amount that they were raising by way of debenture issues, fixed type of income issues. I noticed their amortization of that over many years.

Now that company, despite the fact that stock values are down in this country and in the United States and elsewhere, has nevertheless done very well. It has maintained its position.

May I say that if we could list, on the stock exchange, the shares of Ontario, showing that in capital outlays we had paid out of revenue \$2 out of \$3 for every \$12,000 of debt incurred, which is invested in revenue producing assets, and that our assets have gone up by

\$36,000, I would say that our stock would soar very, very high on the market.

I would say to the hon. members of this House that, at the end of March, they would be investing their sessional indemnities in the stock of old Ontario, and I just mention that as a matter of passing. I would say that our stock stands high.

Now why do we do this? I will explain it. I think it makes a very logical and proper explanation.

Why do we ask the House, why do we come here and say, Mr. Chairman and hon. members, that we have \$90 million in the bank that we have saved out of our operations this last year? Why do we propose that we use it this way?

First of all, we propose that \$18 million be devoted to certain supplementary estimates. I will get into the details of that in a moment. Secondly, that we take \$37.5 million of that money that we have in the bank and we put it into the highway construction account. That is equivalent to paying it on debt. The third thing is this, that we take \$39 million and we apply it on capital account.

Why do we do that? I will explain why we do it, and I think my hon. friend from Waterloo North, coming from a city that is noted for its great financial institutions and for the contribution that it has made to the stability of this province and this country, would agree with this.

Mr. Chairman, we are faced with this. Next year, to meet the great commitments of this province, we must borrow \$240 million. Now that is a huge sum of money. We must fit in our borrowings of \$240 million with the borrowings of Metropolitan Toronto, and with certain borrowings with the Dominion of Canada, because they are coming into the market with certain refunding and other loans.

Mr. Whicher: May I ask a question please?

Hon. Mr. Frost: No, just a moment.

Mr. Whicher: Will he not let me ask one question? I will remember that.

Hon. Mr. Frost: He can ask his question afterwards and I will explain it to him. We need about \$240 million which is a large amount of money, I think he will agree. If we were to take this \$90 million that we have saved, by good administration in this province, and we were to apply that to sinking funds, then we would have to invest that large sum of money, some \$90 million, in

sinking fund investments, with the result that we would have to increase our actual borrowing by going out and adding to it by the amount we add to sinking funds, which would bring our borrowings then to something of the order of \$330 million.

So what we are doing is this, the sensible thing. We are taking this surplus on ordinary accounts and \$37.5 million we are putting in the highway construction account, which means this, that we hold that in cash as against the commitment next year, and the \$39 million we treat in a similar fashion. Now the result is that it very much lessens our borrowing problem for next year.

Now I think that makes a very logical explanation, and that is the explanation that the fiscal advisors of this government have advised us to adopt. However, Mr. Chairman, if the House does not agree, of course we can change it. We are here today, not saying that we want hon. members to give us an okay for money we have spent; we come here with money in the bank, are giving an honest explanation, and are asking the House to determine what we are to do with it, and we are suggesting a logical way to handle that.

Mr. Whicher: Could the hon. Prime Minister answer that question now?

Hon. Mr. Frost: Yes, I will answer the question.

Mr. Whicher: May I ask this? Why is it that this government has to borrow \$240 million? I will give the answer—because that is approximately how much it is in the hole. That is why.

An hon. member: He knows all the answers.

Hon. Mr. Frost: Well, I thank the hon. member very much for answering, and I have listened to his answer with really great interest.

Mr. J. J. Wintermeyer (Waterloo North): That is a fair thing to do. I am inclined to agree, of course, that now we have the opportunity to vote on these supplementary estimates. But on the other hand, the hon. Prime Minister must agree that, even in the budget statement that he introduced, on schedule A-2, an outline of the ordinary expenditures for the year—at least for the fiscal period which ends on March 31, 1958—he totalled \$581 million as being—

An hon. member: He has not said it for sure.

Mr. Wintermeyer: I know, but certainly I do not think hon. members can criticize me for taking that figure as being the amount of ordinary expenditures in the current fiscal year. And of, course, the figure of \$581 million—

Hon. Mr. Frost: Pardon me for giving an explanation of how that comes about.

Mr. Wintermeyer: No, but I do think that is a very unfortunate thing—that all this very complicated explanation must be made for what is relatively a very simple issue. If we would combine our capital and ordinary accounts, we would not be into this.

The hon. Prime Minister knows, as I know, that there is no money in the bank. He has spent money on capital expenditures, all far and beyond business. My figure of \$473 million, of course, was taken from his fiscal—at least, his forecast for ordinary expenditures in the budget statement a year ago, and that is how I made up the difference of \$100 million.

Now, I can appreciate his explanation, but on the other hand, I do not think it is fair to suggest to me that I had no right to make a statement or take the stand that I did.

Hon. Mr. Frost: I accept my hon. friend's point of view. I might say that he had the right, a technical right, to do that. I accept that, and when I say that I have an explanation which I know my hon. friend will accept, I think he will agree that this is good financing.

Now, may I say to my hon. friend, and I want him to think of this because his budget criticisms and comments are indeed very fine and very intelligent, which I very much appreciate. I may say that I have asked for constructive criticism and I have no objection at all. I think myself that my hon. friend has done a very fine service to the House in making the presentation the way he did.

Now, may I say that he talks about overall surplus. If he were to adopt that principle then he would show the province in its worst position. Let us understand—and let us remember—that we have to go out to the markets of the world to get the money to make the wheels go round.

Mr. Whicher: He thinks he is fooling the market.

Hon. Mr. Frost: Not at all.

Mr. Wintermeyer: Then why not give them a true statement?

Hon. Mr. Frost: I would say that it is reasonable that when we are going to people,

and we are presenting our case, that we give them the true picture of the case. I very well remember this. I do not think the matter of overall surplus was ever mentioned, until it was mentioned in the budget of my predecessor, hon. Mr. Gordon, in the budget of 1943. When I became treasurer in that year, 1943, I remember discussing it with the treasury advisors at that time. It was perfectly obvious that we could produce an overall surplus in the year following and we could produce it at that time as far as the foreseeable future of wartime went. But it seemed to me this, that we were going to create a very distorted view if we carried that on, because even at that time, we could foresee that we were going to be met with very great commitments.

Now, the problem is this. An overall surplus can be achieved by levying sufficient taxes to pay for all of our capital commitments that are incurred in one year. Now that is one way that an overall surplus could be obtained this year. I ask my hon. friend, in these days of huge commitments, surely he would not ask the people, in 1958 with all of their problems of expansion, to assume all of the burden of paying the total capital indebtedness in one single year? This is an extreme view, but it would be somewhat akin to asking the people of Toronto to pay in cash the cost of their subway in one year. Well, that is an extreme view, I recognize, but if we did that, we would be putting a very great burden on the people of today.

The alternative to that is this. This House can produce an overall surplus very easily. As a matter of fact, we can produce an overall surplus in the coming year by simply cutting down our capital expenses

Now, may I ask you this? Does the hon. member for Waterloo North want us to cut down the expenditure on highway No. 401 which is destined to run by his great city of Kitchener? Of course, he does not.

Mr. Whicher: In what year?

Hon. Mr. Frost: This year. Now I am going to tell hon. members opposite that we are going to do a real good job. As a matter of fact, I might go up there and make a few promises myself.

Mr. Whicher: He has certainly done it before.

Hon. Mr. Frost: May I say that hon. members would not want me to cut down capital expenses. As a matter of fact, that is not consistent with these days in which we live. I do not think it is consistent with the days

we have lived in these last several years of fabulous development in this province.

I think it is fairer to look at it this way. It is fairer for us to go to the money markets in Toronto and Montreal, to go to the money markets in New York, and say to them this: "We have engaged in this tremendous capital programme. We think we can show you a record which is not equalled in America. With this huge sum of money, we have paid two-thirds of it in the last 12 years in cash. We have spent \$1,000 million on things that provide for increased revenues for this province.

As a matter of fact, we could not collect the gasoline tax and we could not do the things we are doing if we had not done the work we did. We have paid, of that \$1,000 million, some \$667 million in current cash right out of the till.

I think that is far better, and a fairer picture, to put it that way. It is better than to go to the money markets saying: "We are going with an overall deficit of so much money." I would say that one needs only to do that for so long before spoiling our credit. You spoil it yourself by what you say yourself.

I think we have done a very marvelous job in this province. For the future, our problem is to keep up, if possible, some place between the 50 per cent. and 60 per cent. level in capital investments.

Actually speaking, our debt position is very good. When I became treasurer, the debt was something about \$.5 billion, and the revenues were about \$100 million, but the revenue bore a relationship of a debt of about 5 times the amount of our revenue. Today, I think it is 1.5 times our revenue.

As a matter of fact, we are paying off debts incurred by other administrations with the 1958 dollar. Per capita wise, from the standpoint of the wealth of the province, the value of the "old farm", against which there is this indebtedness, every way we look at it is a favourable picture.

That explains, I think, the picture that the hon. member for Waterloo North gave to the House last Tuesday, and he gave it very ably.

I will explain afterwards this supplementary estimate in detail, but that is the general picture.

Mr. Whicher: I would just like to ask the hon. Prime Minister a question. Speaking about the future, and presuming the province pays 50 per cent. or 60 per cent. of the capital in the next 10 years, would he care to prophesy what the debt of the province of Ontario might be 10 years from now?

Hon. Mr. Frost: I would not care to prophesy that, but I would say that, in the past 15 years, because of our development and expansion, the revenues of the province have risen from \$100 million to about \$600 million. In the meantime, the debt has increased from \$500 million to \$860 million this year. That is the increase.

Now, if he were to rise in this House 20 years from now, and say: "We have revenues of \$2.25 or \$2.5 billion and the debt stands at about that figure"—and he may, if we keep up the tempo of things—my hon. friend would agree that it would be a great record.

All I would say is that all I can project would be based on what we have done in the past 15 years.

Mr. Whicher: I would like to remind the hon. Prime Minister of what the hon. member for Riverdale (Mr. Macaulay) said. I have a great deal of respect for him too, as a financial critic. I do not think that at the present time there is any reason to think that the revenues of this province are going to increase by a great deal.

While the hon. Prime Minister has pointed out that, during the past 15 years, the debt has not increased a great deal, may I say that, this past year, it increased by \$99.6 million.

As a matter of fact, it could be worse because he says we have paid 66½ per cent. of our capital in cash. But in his statement, he said in the future we would be fortunate if we are able to pay 50 per cent. to 60 per cent. in cash. Therefore, I suggest that, in the next year, instead of the debt increasing by \$99.6 million it could very well be \$125 million, and that in 10 years from now certainly, instead of having a debt of \$860 million, it would be \$2 billion—unless he adds taxes, which the hon. Prime Minister can very easily do. He has done it in the past—

Hon. Mr. Frost: Well, of course, the hon. member can give that picture. But I very well remember the days when the war ended. At that time, there were people who sat in the Opposition seats. They were not far from the hon. member for Oshawa (Mr. Thomas); they prophesied that we were going into a tailspin, and that we were going into disaster, and that we were going into deficit, into debt, and into unemployment. I would say that I take a more optimistic view of the future than this.

Mr. Whicher: Surely, to be fair, when we have gone in debt this past year by \$99.6 million, the hon. Prime Minister must admit

that my view is not pessimistic or optimistic or anything else, it is a fact. He, by his own statements, admits that we have gone in debt by that amount.

Surely, when he says that during next year, and the years to follow for some time, we are going to be able to pay only 50 per cent. to 60 per cent. of our capital in cash, it is reasonable for us to presume that we will be going in debt at the rate of at least \$100 million a year.

Hon. Mr. Frost: I would say that is true, we did. I acknowledge that and I admit that. But what happened was this:

We spent last year, on capital works, even providing some of those bridges which the hon. member for Essex North (Mr. Reaume) talked about and some other things—and we might put a few down in his county—we spent \$216 million. And of the \$216 million, we spent \$116 million in cash. That is what we did.

How could we have cut that \$100 million increase? Merely by cutting off some of those bridges—\$50 million worth. By doing that, we would have reduced it down to \$50 million, and if we wanted to cut some more off, we could have cut that down to \$25 million. It is controllable. You can do it if you want to.

But, with the Treasury Board and with the hon. Minister of Highways (Mr. Allan) we went out and we spent the money intentionally, to improve the capital stock of this province. Now, we did that with our eyes open. The hon. member asks us not to do that.

Mr. Whicher: Mr. Chairman, I would like to just finish with this point. No one suggests that this government should not spend a great deal of money towards the development of this province. But is the hon. Prime Minister trying to suggest to us that such things as highways can really be charged to a capital fund? Because those highways do wear out. We know perfectly well that, 20 years from now, most of the highways of this province that have already been built will be worn out, and will have to be improved. Now then where does the capital nature come in?

When the hon. Prime Minister suggests that these expenditures are controllable, I agree very much. The only thing that is non-controllable in this province is the debt, because we have no idea how much it is going to be from one year to the next, and 10 years from now, when we are voting on

\$100 million for interest, instead of \$50 million, the people of this province are going to know it.

Hon. Mr. Frost: I say to the hon. member that he is wrong in what he says, because my illustrious hon. predecessor (Mr. Porter) stood here just a year ago and told hon. members exactly what that would be this year, and that is what it is.

Mr. H. C. Nixon (Brant): I am correct when I say, I think, that the federal government has never resorted to this system of book-keeping, that they always present an overall picture of expenditure and income. And during two wars they ran the debt up to over \$13 billion, yet they were always able to borrow money even more advantageously than the province has been able to do by camouflaging its debt position. I think the hon. Prime Minister is unduly alarmed, as evidenced by his reluctance to admit the true position that we are in, and to tell the people quite frankly that we are not meeting our expenditures, that we are exceeding our revenues by \$100 million in expenditure.

Hon. Mr. Frost: I would say to the hon. member for Brant that his statement is incorrect. If he would look at the budgets of Mr. Hepburn, who was a very able budget maker—if he would look at them, he would find that Mr. Hepburn almost invariably had an increase of debt on capital account.

At that time the hon. member accepted that procedure and applauded it, and very many times, most of the time, in his regime of some 8 or 9 years, Mr. Hepburn had a surplus on ordinary accounts which was received with great acclaim by the hon. member. May I say that, in Mr. Hepburn's tenure of office, when he sat here with revenues that ran less than \$100 million, his government added \$196 million to debt. I never heard the hon. member for Brant call it a deficit until he got over there.

Mr. Whicher: May I point out to the hon. Prime Minister that here he has taken one-half of that \$196 million in one year. We would not be the least bit perturbed if it was just for this year, but what about next year and 10 years from now? That is what we want to know.

An hon. member: We will still be in power.

Mr. Whicher: Yes, and if the hon. Prime Minister is in power, the debt will be doubled and tripled.

An hon. member: And the population will be quadrupled.

Mr. Wintermeyer: Will the hon. Prime Minister permit a few more questions? I am much interested in this matter of capital expense. Very frankly, it seems to me that we have reached a point where we are incurring public expenditures each year. Let us forget highways for a moment, and think of the buildings we have put up.

Now, I do not think that it is good accounting, if you will, to charge any part of that to the future, as a municipal body would charge for an underground subway or as an industrialist would charge for a factory, because the fact of the matter is that next year we are going to put up more buildings than we did this, and the year after that, and more the next year.

We all have faith in the future, and we all have faith in the province, but it is as obvious as one and one makes two that we are now an industrial community, and our capital expenditures are going to increase 10-fold in the course of the next short number of years. Are we now to determine a course that is going to prejudice our future?

I think in all good accounting we should acknowledge frankly that much of what we are assigning to capital account is technically incorrect in that, although it is the sort of thing that lasts for 50 or 100 years, we have reached a stage in our development where our expenditures per year are so great, and occur in such a routine fashion, that we must treat them as normal ordinary year-in, year-out expenses. If an industrialist puts up a building, and it lasts for 50 years, surely he can charge 1/50th of that over the 50 years. But if he is putting up a building each year, then surely it is an ordinary expense, surely it must be charged to ordinary income.

Hon. Mr. Cecile: Let the hon. member try to get away with that with the income tax people, and see how far he goes.

Mr. Wintermeyer: In this instance, you would, because the tax is determined on whether or not it is a repeatable regular expense, and surely this is. You are putting up a building each year, or 10 buildings.

Hon. Mr. Frost: May I point out to the hon. member that the Bell Telephone Company is putting in new telephones each year, and they are charging those as capital expenses, of course, and they do not say: "Because we have to do it every year and have to pay it in cash—"

Mr. Wintermeyer: No, no.

Hon. Mr. Frost: If the hon. member wants to refer to highways, he said that our situation was not like for instance building a subway. Well, surely he does not infer that if we build a road under ground, we can charge it to the future, but that if we build it above ground, we have to pay for it in cash. I do not have the figures here but I can show them to the hon. member, that if he is talking about buildings and other capital commitments, we, Mr. Chairman, have paid in cash for every building. We have paid in full cash. Therefore, the residue of the debt is only against highways. Because we have paid for everything.

If the hon. member wants to bookkeep that way, I can give him the statement, and I would be very glad to show it to him, that every institution, hospital and school to which we have given capital grants, all of that has been paid in cash, not charged to the future. If he wants to take it that way, that the only debt is attached to revenue-producing assets such as highways, which are very definitely revenue producing, and we have paid a very large proportion of the cost of those.

Mr. Wintermeyer: Mr. Chairman, I think there is something in what the hon. Prime Minister is now saying. That is, he should divorce his highway programme from the rest of his budget, and treat it separately. But the hon. Prime Minister is not doing that. Surely he can explain it now in some fashion, but as he planned a year ago and two years back, he had no intention of doing that. That is an explanation that he can, I suppose, technically, make now.

But if he would tell me that from now on he will divorce the highway programme from his regular budgeting and that he will pay for his non-revenue-producing capital expenditures in cash each year, then I think he will have met my criticism.

But I do not think he is meeting it at all by making an explanation of what he could have done.

Now may I ask the hon. Prime Minister directly: Will he give his assurance to this House that his system of budgeting will from now on be changed, that he will divorce highways from the rest of his—

Hon. Mr. Frost: I would be very glad to show what has been done over the past 15 years. We have paid everything in cash, all of these hospitals and extensions and buildings and what-not.

I would not give that undertaking for this reason, that I am not sure it is a good

argument to say that building a mental hospital is not revenue producing, I think it is revenue producing, I think it is revenue producing in the betterment of the health of our people, the earning power of our people, and so on. Therefore, when we take in the general picture, that asset is revenue producing.

I think of the great Smiths Falls hospital, for instance. The hon. member can look at it and say that cost a lot of money. So it did, but let him look at what it produces in human betterment and dividends, in better health for people, and for enabling people to earn and be an asset to the country. I think that is something he can regard, too.

Mr. Wintermeyer: The hon. Prime Minister is far too intelligent to really think that is a convincing argument. I would hope that he never spends a nickel that is not revenue producing in the sense that he is now using it. If he ever does, he will be doing a disservice to the province.

But he knows, and everybody in this House knows, what we mean by revenue-producing, taxable, physical income. Now a mental institution just does not do that. It does bring benefit to the patients, of course.

But to show the weakness fundamentally in the argument that is now being presented, after all this talk, next year we are going to pay only one-third of our total capital expenditure, not 50 per cent. or 65 per cent., and I doubt whether he is going to pay for all our physical buildings next year, in cash, as he says.

Mr. W. H. Collings (Beaches): What about our capital investments in the water resources commission, surely they could be amortized over—

Mr. Wintermeyer: Well, how many—what is it? I think it is \$15 million.

Mr. Collings: \$15 million.

Mr. Wintermeyer: The hon. member realizes that has been borrowed of course, to be repaid by the municipalities.

Mr. Collings: But we are paying it up.

Mr. Whicher: Not a nickel has this government put up.

Mr. Wintermeyer: But let us keep to the point here. Next year the hon. Prime Minister is going to pay for only one-third of his capital expenditures. Now certainly some explanation is required to demonstrate the

inconsistency of that forecast, and the position he has just outlined to this House.

Hon. Mr. Frost: If the hon. member will examine the budget statement, he will find that this next year, which he criticizes and despairs of, the province will pay in cash for all of those things, and still will put a huge amount in sinking funds, and then we will have a surplus to apply on highways after that.

Mr. Wintermeyer: Mr. Chairman, what I mean is, we are just digging ourselves deeper in the hole.

Mr. Whicher: He is in a hole, \$99.6 million in the hole.

Mr. Wintermeyer: That is just typical of what I have been complaining about. Here is a statement on page A16 of the Budget, wherein his total capital expenditures are estimated to be \$241 million. In that same statement he says that the proportion of the above capital expenses to be paid from ordinary revenue is 33.9 per cent., \$81 million.

Now, how in the world can he culminate what he has just told this House with the technical presentation that he has given to the province in the form of this current statement of operations for the year ending on March 31, 1959?

The hon. Prime Minister says he is going to pay for all his capital expenditures other than highways, and that he is going to make a big inroad on highways. Well, I tell him he is going to fail to pay for about \$150 million worth of capital expenditures, and that he will not spend that amount on highways if he does not take into consideration the highways reserve fund. Now, let us divorce that for the moment.

Hon. Mr. Frost: The hon. member has the wrong column.

Mr. Wintermeyer: Mr. Chairman, I would be delighted to file or read the whole statement. There is no question in the world that the hon. Prime Minister is not confused at all. He knows very well, he made the statement up.

Hon. Mr. Frost: As a matter of fact, the hon. member said those things last year, and indulged in gloomy forecasts last year, and the truth of the matter is this, that at the end of the year we spent \$216 million last year and we paid \$116 million in hard cash and charged some \$99 million to debt.

Mr. Wintermeyer: Over a year ago, the hon. Prime Minister said he would pay 65 per cent., that is what he said a year ago, 65 per cent. In fact, he paid 45 per cent., so he paid less than what he budgeted for. Now he is budgeting for 33 per cent., and if he runs true to form he is going to pay less than a third in the coming year.

Hon. Mr. Frost: I will tell the hon. member how to clip another \$20 million off, and that is, just do not pay these supplementary estimates. Here we are, now let him just listen. Here is what we propose to do.

If my hon. friend wants to do this, let us take this item. Here is something he can clip off at once. Now we propose to give of that money—and this money can go to the payment of debt if he wants it to, if this House says it wants to vote this \$18 million, or \$19 million, to reduce the debt, it may do so.

We propose to give, if the hon. members will look at the supplementary estimates, \$1 million for a new dental building. We have advanced that sum each year. How much have we got in the bank now towards that? This makes \$5 million in the bank, cash money.

Today I was talking to the chairman of the board of the University of Toronto. They have an estimate for \$3.4 million for the building. The land has been purchased. There will be the residuary result which will go a long way to the equipment, and therefore we have paid it in cash, and when the building is completed there will not be a dollar against it.

Mr. Wintermeyer: Why does the hon. Prime Minister not put it in ordinary expenses instead of supplementary? It is \$1 million every year.

Hon. Mr. Frost: Now, just a minute. I cannot satisfy my hon. friends. Here is McMaster University, to assist them in building sputniks and other things, we are giving the engineering department another \$1 million. We are giving the Royal Ontario Museum, for the extension of their arts or purchase of their equipment, \$100,000, which I think is very good business. As a matter of fact, it is worth much more than the money we will put into it.

Then, \$92,000 will pay off the indebtedness of the Botanical Gardens at Hamilton. Now that the law school has become one of our institutions, we are giving them \$100,000.

I may say to my hon. friend that they have put up a fine new law school down there. The great majority of that has been financed by themselves, and has been paid for in cash.

Now then, we are putting another \$1 million into the teachers' superannuation fund. I will just go down the list: there is education, \$3,292 million.

It is within the jurisdiction of this House to apply it on debt if it wants to, but this government suggests applying it in cash on a great asset.

Now then we have here, special grants. Some \$8 million will be paid to the hospitals. They will do the work and their work will be paid for in cash. The Banting and Best research fund, \$20,000; the Heart Foundation, \$100,000; and the Cancer Institute, \$600,000.

I would like the hon. members of the House to go through that great institution we have on Wellesley St., the Cancer Institute, where we have invested nearly \$10 million. Every cent of that \$10 million is paid. There is not a dollar against that place. We have paid for the whole thing in cash. Now there is nothing charged to the future.

In highway construction, of course, there is \$37.5 million there, which my hon. friend will agree is good financing to do it that way, which again is applying it on debt—

Mr. Nixon: How much will there be in the highway construction fund?

Hon. Mr. Frost: Well, I could not say, but I could get the figures here. Of course, let us remember that we use this fund to pay cash, and I suppose there would be \$15 million or \$20 million in it now. This will be carried forward into next year.

Now then, there is \$5 million in connection with the relief matters which, if my hon. friend from Essex North wants to discuss that, I will be very glad to read him the particulars I have here. I would say it is a great project.

I listened to the mayor of Toronto on his radio broadcast last Sunday, and he said that the city of Toronto has some 1,200 men at the present time—

Mr. Whicher: What doing?

Hon. Mr. Frost: Doing very useful work.

Mr. Whicher: Batting up snow.

Hon. Mr. Frost: Just imagine this. The mayor of Toronto said this on the broadcast on Sunday. He was talking of the black days of the past:

But all this, I am happy to say, has changed. By Thursday, out of 1,400 on

relief rolls, 1,071 men had responded, and there is every indication that more will be on deck when the clean-up programme gets rolling. I say that is a magnificent accomplishment.

Mayor Phillips says it is a great thing to switch over 1,000 men from the lists of city charity to the list of those actively and usefully employed. I think my hon. friends will agree with that.

Now in hurrying along, there is a grant of \$35,000—

Mr. Whicher: Peanuts.

Hon. Mr. Frost: Well, does the hon. member think we should not clean the place up? I would say it is a good thing to clean things up occasionally. \$35,000 to the St. John's Training School; another \$1 million for the public service superannuation fund, and then—this is not lost money, this is repaid to us—\$1.760 million to help finance Elliot Lake, up in the district of Algoma, and to finance Manitouwadge, and to finance the Bicroft municipality, where we have thousands of people coming in on the uranium business.

Now I would say, if my hon. friend opposite wants to be technical, if he says: "Now here, apply that on debt," I would say that this Legislature may so do. They may apply this on debt, and then the \$99 million will become \$80 million. If I did that, would my hon. friend from Bruce vote for it? I do not think he would.

Mr. Wintermeyer: No.

Hon. Mr. Frost: He would not vote for it, of course he would not.

An hon. member: Put it to a vote.

Mr. Wintermeyer: Would the hon. Prime Minister give the House an opportunity to vote, not the entire supplementary estimate—obviously, we are not going to vote against some of the worthwhile projects here, the payment to the dental school and the like—but what about the highway reserve fund?

Also, why was not the cancer fund put in at the beginning of the year? The hon. Prime Minister knows why it is here now. This is "politically expedient", as I said the other day. It is a very good thing to come along at the end of the year and give these things.

There is the hon. Minister of Reform Institutions (Mr. Dymond) suggesting what am I talking about. Does he know that this same supplementary estimate has come down in this House year after year? Does he realize

that these figures, which the hon. Prime Minister has read, can be taken from last year's budget and the budget the year before? There is not one change except the \$5 million for unemployment. Now does he or does he not realize that fact?

Hon. Mr. Dymond: All the hon. members have to do is vote against them. Let them stand up and be counted.

Mr. Wintermeyer: Let the hon. Minister stand up. He is sitting.

An hon. member: Here comes the choir again. "You are not able to get up."

Mr. F. R. Oliver (Leader of the Opposition): Mr. Chairman, I think we are discussing the supplementary estimates, and they amount to, I understand, between \$57 million and \$58 million, and they include, as the hon. Prime Minister has suggested, items for The Department of Education, The Department of Health, The Department of Highways, The Department of Municipal Affairs, and The Department of Reform Institutions and the Provincial Treasurer's Department.

The hon. Prime Minister has outlined the significance, as he sees them, of these various amounts.

What I want to say, Mr. Chairman, is that we have not any intention of voting against the amounts contained in these supplementary estimates. It is all very well for the hon. Prime Minister to rise and say: "Well, if you want to cut off the special grants to hospitals, well you vote against them." In other words, he is suggesting that all is good that is in supplementary estimates. But of course, that depends on the degree. I mean he might say that instead of \$8 million for The Department of Health, why not make it \$80 million. It would still be good. I mean, that attitude, it seems to me, is not sufficient.

Now I want to just remind the House for a moment or two, that the practice of submitting supplementary estimates on the part of this government, for quite sizeable amounts of money, is not a new one. It is not confined to this year but it has a very long history that goes back to the time when this government was first elected.

And in the supplementary estimates of 1954, there was for education, \$4 million in the supplementary amounts; in 1955, there was \$10 million; in 1956, almost \$9 million; and in 1957, \$2.4 million and in 1958, \$3.2 million.

Now, the figure for The Department of Health, I suggest, is an interesting one, when we are talking about supplementary estimates.

We will find, if we peruse the figures in respect to The Department of Health, having to do with supplementary estimates, that in 1954 we voted a supplementary amount of \$8 million; in 1955 we voted \$8.8 million; in 1956 we voted \$8.6 million; in 1957, we voted \$8.8 million; and in 1958 we are about to vote \$8.7 million.

Now, for 5 consecutive years, in the supplementary accounts, we have had an item for The Department of Health ranging just over \$8 million.

I suggest to the House that those amounts cannot be construed as supplementary. If they were justified expenditures for The Department of Health, then the place for them was in the budget of this province, and the government should have taken cognizance of the need for increased expenditure in The Department of Health, and included that amount in their regular estimates.

The same is true of The Department of Highways. In 1954, the supplementary amount voted for The Department of Highways was \$17 million; in 1955, it was \$15 million; in 1956, \$28 million; 1957, \$37 million; and this year the same amount, \$37 million.

What I am going to suggest is that we are not opposed to this supplementary amount, but we are quite concerned, and I believe the House should be concerned, about the premise that provides the revenue to pay these supplementary amounts. I want to read some figures having to do with the budgeted and the actual, so far as revenue is concerned, over the last 6 years:

In 1952-1953, the budget for revenue was said to be \$291 million, and the actual amount received was \$349 million. In 1953-1954, the amount budgeted for was \$334 million, and we took in \$372 million. The next year, 1954-1955, we budgeted for \$354 million and received \$399 million. The next year we budgeted for \$368 million, and took in \$427 million. The next year, 1956-1957, we budgeted for \$420 million and we took in \$460 million, and on it goes. In 1952—

Hon. Mr. Frost: Would he give us this year?

Mr. Oliver: No, I cannot give this year because the hon. Prime Minister knows there is an estimate for 3 months, I do not have the final figure. We have not come to the end of the year, my hon. friend knows that. He cannot be positive, he cannot be actual about the final figure.

But in 1952, we had an actual receipt of revenue over our estimate of \$58 million; and the next year, \$38 million; next year,

year \$44 million; the next year, \$59 million; the next year \$41 million.

Now what I say to the House is this, that this government had deliberately and, with calculated mischief, planned this sort of budget. It is not by accident, it is by desire. What my hon. friends are doing—and the hon. Prime Minister knows this quite well—is planning or is forecasting the estimate of revenue, placing it deliberately low, placing it at a level where the hon. Prime Minister knows full well that it will be exceeded by \$30, \$40 or \$50 million.

He is doing that for a very good purpose, looking at it from a political point of view. He knows full well that when he has \$50 million at the end of the year that he can be a Santa Claus, and that he can “dish it out” to The Department of Education, hospitals, to universities, and then he rises and says to us: “If you do not want it vote against it.

What I am saying to the House tonight is that this may be good political financing, but it is not good business, and it is not presenting to this House, and to the people, what they have a right to expect by the way of a budget.

For instance, I want to pursue this just a point or two further. Last year and, as I have said, for the last 5 or 6 years we had a supplementary amount for education. The boards of education did not know until the time came, the budget time, what they were going to get in the supplementary amount. The hospital boards did not know what they were going to get, and therefore they could not budget accurately, with the increase in mind.

Moreover, I think what we should remember perhaps more than anything else about this whole matter is this, that if the government were to have no surplus, and the day were to come when it made a mistake in its calculation, or if revenues were to fall or some other factors were to enter into it that would wipe away that surplus, then we would be in the position of the hospitals expecting what they got the previous year and the year before that, and the year before that again, and the money would not be available for them.

I suggest that there is not a measure of consistency about these supplementary amounts, there is not a stability that anyone can count on. It is strictly on a year-to-year basis.

Ever since this government came into office, they have not been paying enough for educa-

tion. What we should have been doing was putting out that amount in the budget for education, not waiting until the end of the year and then, if they have any left over, give it to education; I do not think that sound financing at all. The hon. Prime Minister may have been lucky until now, but after all is said and done, a government is supposed to be run like a business, as I understand it, and if it budgets accurately, if it estimates closely, then the surplus is quite small. It need not be large if all the brains there are around the hon. Prime Minister are set to work—and I have no doubt he has them working—but if they are working they can come up with a reasonable estimate.

I suggest again that what the hon. Prime Minister is doing is simply trying to make a big fellow of himself. He is trying to come out ahead—and he has succeeded this last number of years in having a big surplus at the end of the year—and then he throws the money around like Santa Claus.

Now I repeat, that may be good politics, but it is not good business, and I think he should change the system that he has been following.

Hon. Mr. Frost: I would say to my hon. friend, about this matter of the surplus or increase in revenue estimates, that I listened to what my hon. friend said some two years ago; “We changed the Provincial Treasurer, we got rid of the old fellow and we got a new Treasurer, and this year it was within 1.4 per cent. of the estimate.”

Now, I am sorry to lose the hon. Provincial Treasurer we had, but we will have to do the best we can—

Mr. Oliver: Now, how does the hon. Prime Minister know it is that close this year?

Hon. Mr. Frost: Well, I can give these—

Mr. Oliver: He has 9 months actual and 3 months estimated—

Hon. Mr. Frost: Yes, that is right.

Mr. Oliver: Well, if the 3 months is as far out this year as it has been in past years, he certainly does not know at all—

Mr. Whicher: Well, does the hon. Prime Minister deny that he has been a long way out in the past 10 years? The hon. leader of the Opposition has just pointed out that the hon. Prime Minister was out up to \$75 million in one year, does he deny that?

Hon. Mr. Frost: I am always on the right side though, that is—

Mr. Whicher: That may be true, but if he would put these supplementary estimates where they should be, then it will be down where it should be, in the budget itself.

Mr. Yaremko: How far does the hon. member think—

Mr. Wintermeyer: Mr. Chairman, would the hon. Prime Minister kindly consider filing with this House a detailed statement of what capital expenses will be paid in full, in the coming fiscal year, and what capital expenses will not—that is he has said that he will pay for one-third of them in cash—will he give us an opportunity to examine those so-called capital expenditures that will be paid in full, and those that will not be?

Hon. Mr. Frost: Well, I will give the hon. member a statement of the last 15 years to show the—

Mr. Wintermeyer: No, no, I am concerned with the forecast for the coming year.

Hon. Mr. Frost: Well, I could do that. As a matter of fact, my hon. friend could figure it out for himself.

Mr. Nixon: He would rather the hon. Prime Minister would figure it out.

Mr. Whicher: He has a different kind of pencil.

Mr. Wintermeyer: Exactly, Mr. Chairman; this, I think, is the essence of the whole thing—either the hon. Prime Minister knows or he does not. Frankly, I do not think that he, or anybody else, knows what capital expenses will be paid for in cash or not. Everybody else who examines this carefully knows that the one-third is a pure estimate, that is devised to forecast a moderate surplus of \$280,000 for the ensuing year.

I complained of the same thing last year. But to test it in an intelligent way, I think the hon. Prime Minister must file, with this House, a demonstration of how and what particular capital expenses will be paid for in cash in this ensuing year, and I would think that could be or should be done in a day or two, so that we will have an opportunity to examine it and make our comments on it.

Mr. Whicher: Well, is he going to file it, yes or no?

Hon. Mr. Frost: Well, it is all there.

Mr. Whicher: We want your pencil to do it.

Mr. Wintermeyer: Let us make this emphatically clear. I do not want to unnecessarily press this point, it is not here, not with any sense—

Hon. Mr. Frost: I regret that I take up the time of the House to get these things together. But if my hon. friend will look at page A16, he will find that we will be paying, in our estimates, about \$82 million in cash. Now we can charge, against that, \$51 million of public works, everything that the hon. Minister of Public Works (Mr. Nickle) spends is paid in cash, including conservation works. I do not know whether one would count them revenue producing or not, but we will pay for those works in cash. Rural power transmission lines \$1.5 million—we will pay that. We will pay \$1 million for mining roads, we will pay for logging roads \$3.8 million. I guess the balance will apply on highways. The way it looks right here, I think that is a very good statement. Hon. members opposite do not need to do much calculating to figure that one out.

Mr. Wintermeyer: Well, Mr. Chairman, this is the statement I have been working with all evening, my goodness—

Hon. Mr. Frost: Well, the answer is right there. It is very plain, it is very easy to see. If the hon. member will look at page A16—

Mr. Wintermeyer: I am sure that is the page that I have been working with all evening, I have had it before me all evening.

Hon. Mr. Frost: I told the hon. member he was mixed up.

Mr. Wintermeyer: I am not at all mixed up, and if we look to last year, we will see the same thing last year. When the hon. Prime Minister said he was going to pay 65 per cent. he dropped to 45, and he is going to drop below one-third. because he knows his debt is going to increase by \$140 million.

Now, there is no relationship between the \$140 million to which his debt is going to increase, and the so-called forecast of \$280,000. He does not know, I do not know, and no hon. member in this House knows, whether he is going to pay for those build-ings in cash or not, and that is the whole thing.

If he really divorces his highway programmes, and his overall budget, then we will get somewhere. But he is not doing that, he is just clothing this whole discussion with his own pleasant personality and persuasiveness.

In term of technicality, he has not added a thing in this last explanation—

Mr. Hanna: The hon. member is wasting time.

Hon. Mr. Frost: Well, I say to my hon. friend that, as a matter of fact, we will pay for all these things which he makes, by some stretch of the imagination, non-revenue producing. We will pay for them all in cash. We will apply a very large sum on the payment of old debt and on our currently incurred highway debt this year.

Now, on the figures, I would say that over the last dozen years, I suppose going back to 15 years, we have paid everything, all the Hydro, all the subsidies, everything in cash, and still we have applied a huge amount on the highway account. I think that is a pretty good record.

Mr. Whicher: If the hon. Prime Minister is paying for all these things with the exception of the highway, how much is he putting aside in sinking fund to pay these highways off finally? How much is he putting away?

Hon. Mr. Frost: \$18 million this year.

Mr. Whicher: That would not be all applied to highways, of course?

Hon. Mr. Frost: Well, it is on debt.

Mr. Whicher: Well, is that sufficient to put aside?

Hon. Mr. Frost: Yes, that would pay it all up in 35 years.

Mr. Wintermeyer: Mr. Chairman, we know what the \$18 million is. In all fairness, the hon. Prime Minister knows what \$18 million is. Let us say \$18 million is budgeted for each year for the last 10 years, my—

Hon. Mr. Frost: Oh, no. It is always increasing—

Mr. Whicher: My understanding is that \$2 million of that \$18 million is statutory in the sense of—what is it?

An hon. member: “AM” and “AN”.

Mr. Whicher: “AM” and “AN”. That is right, those two require a certain amount to be set aside each year, I think it is \$2 million.

Now then, it has been the hon. Prime Minister's habit in the past few years to add another approximately \$15 million, too, making up the \$17 million that he talks about, and when the final figures are determined at the end of March of each year—and remem-

ber we are just guessing what they will be—he will increase that. But I do not think in all fairness he can suggest that there is an overall plan in this respect.

Hon. Mr. Frost: I would say to my hon. friend that what we do is this. Supposing we have a \$100 million capital works, and we pay—as we have been paying—\$65 million in cash. That leaves \$35 million that goes into debt. Well, we increase our sinking fund provision so that an amount will go there to pay that balance off in 35 years time. Now, that is what has been done.

Mr. Wintermeyer: Yes, but then why has that figure remained absolutely stationary at \$17 million for the last 5 years, when the capital expense programme has not remained constant?

Hon. Mr. Frost: Last year we put \$40.729 million in sinking fund.

Mr. Wintermeyer: But let the hon. Prime Minister explain how he made up that \$41 million. It was made up of the two I spoke of, of the \$15 million budgeted and then, after the completion of the fiscal year and the full 12 months was determined, he knows that he is going to have more revenue than he said he was going to have, and that additional revenue, having no other place where it can be put, is technically applied to this fund, but it is not by any planned scheme that he does this.

Hon. Mr. Frost: I would say to the hon. member that, of course, we have put in vastly more in the sinking fund than the plan would call for, on the basis of 35 years. Of course we have. But we have done that intentionally.

Mr. Whicher: He has also underestimated intentionally.

Hon. Mr. Frost: Oh, no.

Mr. Whicher: Well then, he is an awfully poor estimator, because for the past 10 years he was under by practically \$500 million.

Hon. Mr. Frost: Well, I am conservative with a small “c.”

Mr. Wintermeyer: Well, I will ask the hon. Prime Minister how much will be put into this fund for the year ending on March 31, 1958? He has told us that \$18 million was only—

Hon. Mr. Frost: Well, we have roughly \$18 million in there now, and we pay some \$85 million in cash, and put \$18 million that

we pledged to put in, and then I say to the hon. member that if we make more out of income tax than we expect to, we will add that to it.

Mr. Wintermeyer: Surely that is not good financing.

Hon. Mr. Frost: Why not? What is wrong with it?

Mr. Wintermeyer: What mortgagor would do that? What obligator would do it?

Hon. Mr. Frost: I mean we are putting in a stated amount. We have the \$18 million—

Mr. Wintermeyer: \$18 million is the only stake, that is the only stake.

Hon. Mr. Frost: If we run into an economic depression that some of the hon. members opposite forecast, we will put in \$18 million, but if we run into better times, as we think we will, we will put in more, but we will at least put in that much.

Mr. Whicher: Would the hon. Prime Minister suggest how much the net debt will increase if we happen to run into bad times, because this year when we had good times it was \$99.6 million. What will happen if we have bad times?

Mr. Oliver: Perhaps my hon. friend let his figure go, I do not recall it. Can he tell me what we require by statute to put into the sinking fund?

Hon. Mr. Frost: \$18 million.

Mr. Oliver: That is the \$18 million. He is required to put that in each year?

Hon. Mr. Frost: Well, actually speaking, we are not required by statute—

Mr. Oliver: He is not required to put it in?

Hon. Mr. Frost: No. As a matter of fact the \$18 million has been set up as the amount which would be necessary to take care of the debt over a stated period of time—

Mr. Nixon: What does the “S” in front of that vote mean, is that not statutory?

Hon. Mr. Frost: Concerning the “AM” and “AN” issues, it is statutory to put in the amount, the others are provided by statute, but it is not obligatory to put it in. But I would say that during the lifetime of this government, we have not only put that amount in, but that we have put more in.

Mr. Whicher: The hon. Prime Minister is putting us in the hole a lot more. Does he not agree with that?

Hon. Mr. Frost: No, I regret to say there is little the hon. member for Bruce says that I can agree with. I would like to be able to agree with more.

Mr. Whicher: Does the “AM” and “AN” series, so-called, amount to \$2.441 million, is that right?

Hon. Mr. Frost: Yes.

Mr. Nixon: Well, what does the “S” mean in front of that whole vote?

Hon. Mr. Frost: Statutory items.

Mr. Nixon: Statutory, yes. Well then, if it is statutory, he must have to—

Hon. Mr. Frost: Not necessarily, it means it is authorized by statute but the amount is not set.

Mr. Whicher: I just heard one of the hon. members opposite say that we might be getting on his neck. Does the hon. Prime Minister agree with that or not?

Hon. Mr. Frost: No.

Mr. Whicher: Would the hon. Prime Minister like us to get off his neck?

Hon. Mr. Frost: No, keep on going, the hon. member is doing all right.

Mr. Whicher: It was one of the hon. Prime Minister's own members who suggested it.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, now that it is settled that the province is neither in the black nor the red, there are two items in the supplementary estimates I would like to refer to. One concerns the teachers' superannuation fund of \$1 million, and the other for the public service superannuation fund.

Now, I think this last 3 or 4 years, in the teachers' superannuation fund, we have put either \$3 million or \$4 million. I am not opposed to that, in fact, I am all in favour of it.

But we should not make fish of one and flesh of another.

Now on many occasions hon. members of the Opposition, and sometimes hon. members of the government, have risen in this House and asked the government to entertain the idea of some compensation to those people on workmen's compensation who are on the old rate of 50 per cent. I do ask the hon.

Prime Minister to seriously consider that, if we can put \$4 million or \$5 million into these two funds, surely we can do something to help those people out. I would like to ask the hon. Prime Minister if he would comment on that.

Hon. Mr. Frost: I would say that the situation is this, the workmen's compensation fund is actuarially sound, they have collected the money and have placed it in the fund, and the payments are based upon actuarial computations that are fully protected by invested funds.

Now, unfortunately, that is not so as regards either the teachers' superannuation fund or the civil service fund. Due to the actions of past governments, we found that we were faced with great deficits in both funds.

So what we have been doing is this, we have been paying in the full amount that we should pay in now, and have been putting in \$1 million a year in both funds in order to bolster up the deficits that were incurred by past administrations that apparently robbed the hen roost in some way or other by not putting in the amount of money they should have put it. We have been trying to restore the solvency of those funds. Actually speaking, the contribution that we put in does help to restore that.

Now, I forget which fund it was, but it might have been the teachers' fund, that the estimates of the actuaries—whom we had go over that account some few years ago—showed that the fund would begin to start to run down about 1980 or somewhere around there. Well, every \$1 million we put in postpones that. I think by now we have it beyond the year 2000 mark, which is quite a considerable period off. But still actuarially the fund is not sound, although it is underwritten by the government of Ontario, and nobody needs to be alarmed that they will not get their money.

But some government, it might be the government that the hon. members opposite would lead about the year 2000, would find themselves having to dip into the ordinary account to pay the teachers' superannuation fund, and we want to avoid that for them.

Mr. Thomas: Further to that question, the question of whether it is actuarially sound or unsound does not enter into the picture at this time. The fact is that we are taking millions of dollars out of the consolidated revenue to put into this fund. Now the hon. Minister of Labour (Mr. Daley) said he does

not think it is fair that industry should bear the burden. Well, if the hon. Prime Minister agrees on that, then I think some portion of the consolidated revenue fund should be taken to compensate these people who are trying to exist on this measly pension they are receiving now.

Hon. Mr. Frost: Of course, I have sympathy for what the hon. member says, but here is the position. To do what he says on the estimates that we had made, I think last year, would mean that we would have to take about \$19 million from the consolidated revenue fund to provide for the stability of the workmen's compensation fund in connection with the widows that he mentions.

The great difficulty is this, that the problem then becomes an enemy, there are those who were superannuated under civil service conditions of other years, who today are not receiving the pensions that are payable to those retiring today. Now, there is a similar just claim for going back into that.

If we go back into that, the thing is unending, and we can apply that to pensions of all kinds and varieties.

I would say that was why this government, back in 1950, argued for a universal old age pension. It was recognized at that time that we could not restore equity, we could not restore the balance.

Take, for instance, my town. I come from a railroad town. There were scores, and are scores, of railroaders there who are retired on pensions that were earned on plans that were very adequate and very desirable plans 25 years ago, but today are totally inadequate. It is pretty difficult to raise the pension for one pensioner who has neither contributed to or been contributed for under one plan, and jack that person up and then leave the railroader, or leave somebody else down in the street, in the same position as they were before.

Now that was the real purpose of the universal old age pension at 70 years of age. Now, I admit that it would be more desirable perhaps to come in at 65 years of age, but after all, one has to get the money to do these things.

Now, at 70 years of age, on a universal basis, at \$55 a month or \$110 a month for a man and his wife, that sum goes a long way to iron out these inequities that come in these various pensions.

I would say to the hon. member if he takes any one of them separately, the argument is really unassailable for doing something, but on the other hand, remember this, in work-

men's compensation alone I think the widows' pensions would amount to something in the order of \$19 million. I think those were the estimates we got.

Remember this: the minute we turn around and raise a widow's pension up to the pension of today, by means of a contribution from the funds of the province, then how about some poor fellow who has lost his arm or is totally disabled, or has some other serious disability?

We cannot isolate this, we have to deal with him, and by the time we are through, then we are into an unending problem, and one that is extremely expensive.

I would repeat that this was the argument for the universal old age pension in 1950—although we could never restore the balances and all the equities, we could make it fairer for everybody. Today a single person gets \$55, and a couple \$110. Now that is the situation. I do not know how we could better it.

Mr. Wintermeyer: Mr. Chairman, in this \$1 million, there is simply an effort to build up; it is not a scientific figure, and one would expect the \$1 million to continue for some time until the fund is—

Hon. Mr. Frost: Well, if we can afford it.

Mr. Wintermeyer: \$19 million for 19 years?

Hon. Mr. Frost: Yes.

Mr. Wintermeyer: Well, now, under those circumstances, one would expect that would be put in the ordinary budget rather than supplementary estimates.

Hon. Mr. Frost: Well, as a matter of fact, frankly, we have increased, as hon. members will notice, on the ordinary budget, the super-annuation provisions. We have not wanted to place that in for this reason, if we put it there and it becomes hardened into the budget, then it is something that we would be bound to meet. Now after all, I think we are only bound to meet what we can, and therefore we have retained the flexibility of putting it in a supplementary estimate.

Mr. Oliver: Does the hon. Prime Minister mean he could not drop it from the budget?

Hon. Mr. Frost: We might drop it, sure, if we ran into difficult times next year, yes I think so.

Vote 415 agreed to.

Vote 515 agreed to.

Vote 606 agreed to.

On vote 1,204:

Mr. Whicher: Mr. Chairman, I would like to say something about vote 1,204. That is the \$5 million that the hon. Prime Minister is so very, very proud of. He told us that he had a letter from the mayor of Toronto saying that there were 1,200 men at work, and that this \$5 million is a great thing for the unemployed in the province of Ontario.

I would like to tell him right now that it may be a good thing for the 1,000 or 1,200 men who are employed in Toronto, and we say, if it is, then we are very glad of it. But I have quotations here from the mayors of Timmins, Sault Ste. Marie, Brantford, Belleville, Kingston, Stratford, Woodstock, St. Thomas, Barrie, Niagara Falls and many more, and what they say is simply this: That the hon. Prime Minister's plan is no good whatsoever, period!

Hon. Mr. Frost: Not for what they want to use it for, it is not.

Mr. Whicher: Well, is this plan for Ontario or is it for the city of Toronto? That is what I want to know.

Hon. Mr. Frost: This is for the unemployed. That is what it is for.

Mr. Whicher: Well, we have unemployed in many, many cities besides the city of Toronto. For example, we will take Oshawa. In Oshawa, there are only 5 or 6 men who would be eligible, mayor Lymon Gifford said.

Some 40 others are on relief and also receive small unemployment benefits. He hoped the government would include these men under the plan. About 450 persons are receiving relief, including 140 heads of families.

Now, that goes all the way down in practically every city in the province of Ontario with the exception of Toronto. The only reason the hon. Prime Minister's plan is any good in the city of Toronto is because they have huge parks here where they can set about cleaning up, and that sort of thing. Where there is no snow whatsoever, in Sudbury—I would be interested to know what the hon. member for Sudbury (Mr. Monaghan) would say about this.

Hon. Mr. Frost: Well, I would tell my hon. friend what has happened in Sudbury, and he might read it. Here is a good comment. I will take the Sudbury *Star* and explain it to him.

Mr. Whicher: What date is it?

Hon. Mr. Frost: March 1, 1958. Now listen, I want to read this.

Mr. Thomas: St. David's Day.

Hon. Mr. Frost: That is right.

Sudbury's board of control is hard pressed for civic business to justify its existence, if it must spend time in trying to devise work schemes for 3 men, who would be eligible for work under a survey recently announced in connection with provincial aid schemes.

Surprising to the taxpayers of this city is the unwillingness of the board members to accept the fact that there is no critical unemployment situation here. . . .

The taxpayers most reluctantly reach the conclusion that Sudbury's controllers have fallen victims to political propaganda which has gratefully exaggerated the unemployment situation across the country. Even in the city of Toronto, where there is always a concentration of unemployed during the winter months, only 58 per cent. of those eligible to work on provincial aid schemes turned up to work when the city made its appeal to eligible unemployed to register for work, and municipal taxpayers are not forgetting that they are expected to foot the bill for 30 per cent. of the cost.

When Prime Minister Frost announced the plan, he said obviously in such a plan as this, good faith is a very necessary condition. The projects must involve additional work and employment over and above the municipalities' ordinary undertakings. The government would be quite justified in ridiculing the suggestion, from a city of 47,000 population, that special assistance be given to provide employment for 3 men.

What my hon. friend is saying is this. Here is a city that has unemployment of 3 men, and they have no unemployment problem. It is 47,000 population. My hon. friend and the hon. leader of the Opposition, have argued that we should give to that city an unconditional subsidy of \$1 per head of population, namely \$47,000 to take care of 3 men. Now that is what they are asking.

Now, I just ask my hon. friend if it is not time for a little calm consideration. This plan is devised to help the unemployed. This is not a plan to dish out \$1 per head of population to municipalities in areas that do not need it. Now, on the other hand, some other municipality may have quite an unemploy-

ment load and they might get \$2 or \$3 per head of population. I would say that this is a dandy plan and my hon. friend should support it.

Mr. Whicher: Well, I say to the hon. Prime Minister that his plan is no good.

Some hon. members: Hear, hear!

Mr. Whicher: Mr. Chairman, I wonder if that applause was for me by any chance? I say to hon. members: "Thank you very much, I appreciate it." In saying that there are 3 unemployed people in Sudbury, he has been talking a lot of nonsense like he has been doing about the whole budget tonight. I suggest, if there are going to be any cheers around here, that hon. members hold them until I read something else to the hon. Prime Minister.

In the city of Owen Sound, we have 3,000 people who are drawing unemployment insurance benefits, and this is what the deputy mayor of Owen Sound said:

Deputy mayor Percy England said only 4 persons would qualify for the work.

Now, what kind of an unemployment plan is this when 4 people out of 3,000 would qualify?

Hon. Mr. Frost: The others are being taken care of.

Mr. Whicher: Now let me ask something more. It is too bad the hon. Minister of Municipal Affairs (Mr. Warrender) is not here at the present time.

Hon. Mr. Frost: He is over at a political meeting representing me.

Mr. Whicher: Well, he had better not talk about this plan because if he does, he will be sorry that he is there. In Hamilton mayor Lloyd Jackson favours a per capita grant of \$1, or about \$240,000 as the province's 70 per cent. contribution.

Hon. Mr. Frost: Of course he would. I do not blame him for asking for it. Does the hon. member know how many men there are—

Mr. Whicher: Now, just a minute, the hon. Prime Minister told me to sit down a few minutes ago. Would he mind doing it this time.

Hon. Mr. Frost: There are 150 men eligible in Hamilton, and they want \$200,000. Of course, I do not blame them for asking for it.

Mr. Whicher: For one thing, we cannot hear the hon. Prime Minister so well when he is sitting down.

Hon. Mr. Nickle: The hon. member can hear all right.

Mr. Whicher: Well, he would not have to whisper very loud for the hon. Minister to hear him. He would stand to attention in short order.

However, mayor Lloyd Jackson said that the city has not taken advantage of the plan because of the limitations. Hamilton has 414 unemployed men receiving assistance from the city, and about 100 civic employees laid off. There are about 20,600 persons seeking employment in the city of Hamilton.

Of all the things that the hon. Prime Minister has given this province of Ontario, he should really stand on the city hall here in Toronto and stand to attention and say: "My, I have done a wonderful job." And when he does, he will be the only person, outside of these hon. Conservatives sitting in this House, who believes him, because nobody else does.

Hon. Mr. Frost: Well, I would say to my hon. friend that he should read the speech of the mayor of Toronto. I will send it to him, and I will send him last week's speech in which he explained the plan and said it was a wonderful thing. As a matter of fact, I read him a portion tonight in which he said it was a magnificent thing. Now, may I point out to my hon. friend, we have in this country now, unemployment insurance. He says that in the city of Hamilton—

Mr. Whicher: Who passed the legislation?

Hon. Mr. Frost: Now, let the hon. member wait just a moment. He says that, in the city of Hamilton, there are 20,000 people on unemployment insurance. I think those are his figures. Now surely he would not argue for a minute that this province should step in with a subsidized work programme where we are subsidizing 70 per cent of the wages, in order to take 20,000 people off unemployment insurance. Now, we would have a nice amount to apply on debt if we ever did that one.

I would say that there is no intention of doing such a thing, now or in the future, and if anyone had any wishful thoughts that it is going to be done they might as well disabuse their minds of it, because it is not going to happen.

It is not our intention to take the 20,000 men in Hamilton, or the 3,000 or the 4,000 men in Owen Sound, and transfer them from

unemployment insurance to a relief works programme where we pay 70 per cent. of the wages. Now, surely the hon. member would not ask for that.

Mr. Whicher: No, I will not ask for it.

Hon. Mr. Frost: Then what is he asking for?

Mr. Whicher: I am not asking for it at all, but I am just pointing out the fact that the feeling got around this province that the hon. Prime Minister was going to be a great contributor to the welfare of those people who are unemployed in Ontario, and he has not been. Now just in Toronto—and I think, to be fair, he will admit I said Toronto was an exception—they have 1,100 or 1,200 men employed, whatever the case might be, simply because they have a huge park area in this city. In spite of the fact that they have got 1,100 people working on this plan, there are 62,000 people unemployed, walking up and down the streets, here.

Hon. Mr. Frost: That is not the part I am touching.

Mr. Whicher: It is very true that they are drawing unemployment relief. No question about it whatsoever.

But I suggest this. He has this \$5 million that he spends. If he does spend the whole \$5 million, about \$3 million of it will be spent in this city of Toronto. In a dozen or 20 cities in this province, to all intents and purposes, the plan is of no use whatsoever.

Vote 1,204 agreed to.

Vote 1,904 agreed to.

Vote 2,109 agreed to.

On vote 1,205.

Mr. Thomas: There was one question there in respect to the grant to Elliot Lake. Is that an outright gift or a loan?

Hon. Mr. Frost: That is a loan.

Vote 1,205 agreed to.

ESTIMATES, OFFICE OF LIEUTENANT-GOVERNOR

Vote 1,001 agreed to.

ESTIMATES, TREASURY DEPARTMENT

On vote No. 2,201.

Mr. Oliver: Mr. Chairman, it has been customary for the Minister in charge of Departments to make a lengthy explanation of those matters that fall within the 4 corners of his department. I do not think the hon. Prime

Minister should be any exception. Would he not give us a half-hour on this department?

Hon. Mr. Frost: I would say to my hon. friend that it would be a very, very great pleasure to, but I spoke for fully 2 hours a week ago Wednesday, and I spoke for another half-hour tonight and I ask to be excused.

Mr. Whicher: We still do not believe him.

Hon. Mr. Frost: Well, there is nothing I can say that would make the hon. member believe me. What is the use of me talking any more.

Mr. Whicher: He can say that again.

On vote 2201, if you are not in too big a hurry, Mr. Chairman. This amount of \$6.2 million. What is that supposed to do? Are they stepping up the allotment of money to these funds or—

Hon. Mr. Frost: That is the matching amount for superannuation.

Mr. Whicher: That is what?

Hon. Mr. Frost: The matching amount. Our contribution to superannuation.

Mr. Whicher: Oh, yes, that is right. I agree on that.

In 2,201—I hate to bring this up again. I really do, Mr. Chairman—but this public debt is hanging over my head so severely that I wonder if the hon. Prime Minister would explain this \$53 million of interest. I mean, is there for example, any Hydro debt in that? Any interest?

Hon. Mr. Frost: Yes, there is.

Mr. Whicher: Well, I am sorry the hon. Prime Minister is confused.

Hon. Mr. Frost: We get it in on the revenue side. That is a gross item. That is right.

Mr. Whicher: Would the hon. Prime Minister say how much is Hydro? I mean, how much public debt?

Hon. Mr. Frost: Well, that is shown in the gross debt figures. Some \$12 million will be coming back from Hydro on that item.

Mr. Whicher: In other words then, we are paying this year about \$41 million in interest on the debt of this province.

Hon. Mr. Frost: That is right. That is a lot. As a matter of fact, our interest has fallen very much in the last few years because of lowered interest rates. It has increased

because of the politics of the late government but we are hoping to have that corrected.

Mr. Whicher: Mr. Chairman, how can the hon. Prime Minister say that the interest has fallen when we are another \$100 million in the hole this year? It has gone up that much. He means the rate is a little different.

Hon. Mr. Frost: The amount of interest we pay is what I am talking about.

Mr. Whicher: But the amount of interest he pays is much more than it was last year. Is that correct, or have I made a mistake there?

Hon. Mr. Frost: I think he has made another error.

Mr. Whicher: Now, Mr. Chairman, is it not true that the interest that we pay this year will be more than last year?

Mr. Oliver: Well, one would think so.

Mr. Whicher: Of course it is.

Mr. Oliver: With the debt being higher and all that.

Mr. Whicher: Is it or not?

Hon. Mr. Frost: Yes, I think that is correct.

Mr. Whicher: The hon. Prime Minister certainly does think it is right.

Votes 2,201 and 2,202 agreed to.

On vote 2,203:

Mr. Oliver: Now we must hear the hon. Prime Minister on this. How are we doing in the racing business?

Hon. Mr. Frost: I do not know. I have not been there since the King's Plate two years ago.

Mr. Oliver: Well, there was more money bet this year than last. Oh, here is my hon. friend from Huron-Bruce (Mr. Hanna) this is a yearly classic when we are able to get my hon. friend from Huron up to speak about the racing commission. I think—

Mr. J. W. Hanna (Huron-Bruce): Mr. Chairman, I would like to answer any questions that the hon. members of the Opposition have to ask, because I am very proud to be on the racing commission. Also I know the hon. members of the Opposition are very proud that I am.

This government and the federal government are very anxious that racing be im-

proved each year, and they are doing a lot to bring it to a standard that each and every one of the hon. members of this House will be proud of.

We feel that the commission is something to be proud of because I see that \$4.294 million was received by the government this year from racing, and the federal government is very anxious—we are to have a meeting with the federal Department of Agriculture in Ottawa—to return to the racing sport of Canada their .25 per cent. which they have been receiving, and I am sure that no one can find any fault with the people of the government endeavouring to insure that racing will become more up to date every day. The members of the racing commission—Mr. Bigelow, Mr. McKee and Mr. Macintosh and myself—are very proud to realize how much racing has been improved in this province of Ontario in the last 2, 3 or 4 years.

If there are any further questions I will be glad to hear from the Opposition. I might say that I am sorry that the hon. member for York West (Mr. Rowntree) is not here. The New Woodbine track is in his riding, and to the hon. members who are fond of good sport, and are looking for some place where they will be proud to take their wives, may I say I am sure they will have very little to say against racing in the province of Ontario, after visiting the New Woodbine.

Mr. A. Grossman (St. Andrew): Mr. Chairman, I wonder if the hon. member could tell this House whether The Department of Agriculture provided him with the material for his little address.

Mr. Oliver: Mr. Chairman, while my hon. friend has given a very full and detailed explanation of this classic in the province I do have one question that I might ask him—and this in all seriousness—is the racing commission giving consideration to what is known as night racing? What is their position in regard to that suggestion, which comes from many quarters, that we should allow night racing in the province?

Mr. Whicher: Mr. Chairman, I thought the hon. Prime Minister protected only his hon. Ministers.

Hon. Mr. Frost: Well this involves a matter of government policy. I would say that, in the past, there has been some agitation for night racing. As a matter of fact, there have been some concessions from the standpoint of permitting racing in the evening, which is made possible by reason of the long hours

in the daylight saving period. Now, I would say quite frankly, that I am not a racing man myself, I do not know my way around these tracks very much. While my hon. friend from Huron-Bruce is quite an expert, I am not.

But in my studies and dealings with racing some time ago, I must say that I was not a bit impressed with night racing, and I have to be impressed now, for this reason.

Night racing emanated from the United States—that is, racing under lights—and all sorts of scandals and difficulties and crooked business cropped up. Our adjoining state of New York was full of it, as my hon. friends here know.

I made some inquiries. I did not go down to look at harness racing in some of the other states, but I was strongly advised to keep our province out of it.

Now I would say this, that there was a lot of money going through the pari-mutuel machines of this province and I am rather old-fashioned enough to think that there is enough going through without starting up another big gambling business in the province. Quite frankly that is what I think, and if our people want to bet, there are plenty of places to do it on the present harness tracks and on the thoroughbred tracks of the province, without getting them embroiled in something else.

I am one of those who doubts that it would benefit Ontario at all, for this reason: if we get into the big league in harness racing, and we get into night racing, then we are competing with some of the big tracks in the United States, and we are going to get horses that are imported from the outside.

I think that some of our own harness people had bitter experiences in going down and entering their horses on American tracks.

Now, the answer, as I see it, is that in harness racing, and in thoroughbred racing, there is a pretty good job being done. It would take a lot of convincing to show me that our people ought to embark into another big field of betting and gambling under present conditions. I think myself that we are far enough into it at the present time.

Mr. Whicher: Mr. Chairman, if we take this money in the afternoon, what is the difference in taking a little bit at night?

Hon. Mr. Frost: Well, I would say that the difference is this, that it involves a totally different class of racing. It is not as simple as transferring the afternoon racing to the evening. It is not as simple as that at all.

The minute we get into the evening racing, we get into another class entirely, and we

are going to get into the international type of racing, and we are going to get into competition with the international horses that are going to be here. I do not think that this is going to be for the benefit of the farmers of this province because it is not, it is going to be for the benefit of other people. Now, mark my words, that is what it is for.

Mr. Whicher: Mr. Chairman, before we pass that vote, I feel that I would not be going out of line if I paid a little compliment to the hon. racing commissioner. He is in my area in the south of Bruce county, and there have been so many compliments passed across to Mr. Speaker, to the hon. Prime Minister and to the hon. members of the government that I would like to pay one to the hon. member for Huron-Bruce in the south of Bruce county. He is very highly regarded in that area.

Mr. Oliver: Mr. Chairman, highly regarded or not, I want to know how we did in the racing business this year. Was it a bigger year than former years? Did we take in more money? Did the province get more money?

Hon. Mr. Frost: Yes.

Mr. Oliver: How much more?

Hon. Mr. Frost: \$4.6 million, that is right; \$4.3 million last year—a little less.

Mr. Oliver: We are gaining, not fast though.

Votes 2,203, 2,204 and 2,205 agreed to.

On vote 2,206:

Mr. Oliver: On the theatres something has just got to be said. Last year we had quite an elaborate discussion of good films and bad films. I would like to ask the hon. Prime Minister in a general way, what is the picture as he sees it in respect to theatres generally?

When we discussed this matter a year ago, and the year before that, there was pretty clear evidence that the theatre business was a diminishing one. There has been some indication that there has been a reversal in that trend. What is the condition generally of theatres as the hon. Prime Minister sees it?

Hon. Mr. Frost: I would say to my hon. friend that the picture of course has not been a bright one, the effect of television and ease of travel to larger places has made it very difficult for small places for some times past.

As a matter of fact, it is pretty much of a diminishing trade, unless a theatre is catering to a type of audience as applies in some cases

were there would not be ease of communication to other places.

Now, television has made a great difference. On the other hand, it has not affected the larger theatres in Toronto and elsewhere. The larger theatres have done as well or better than before, certainly as well as before. In other theatres they are running into difficulties.

But I think the effect of television has worn off. That has been the experience in other jurisdictions, and therefore it might be at least hoped that the bottom has been pretty well reached, because there is wide television coverage in the province. Now that the bottom has been reached, there should be some improvement from now on.

Mr. Whicher: Mr. Chairman I wonder if the hon. Prime Minister could tell us approximately how many pictures were banned this year by the censors?

Hon. Mr. Frost: I am sorry, I do not have that information but I could get it for the hon. member.

Vote 2,206 agreed to.

On vote 2,207:

Mr. Oliver: I wanted to know in respect to that, how much is outstanding or any in default, and what is the general picture? That is the second mortgage business, is it not? Money has been paid in years gone by and now the government is collecting it?

Hon. Mr. Frost: Well, as hon. members know, the purpose was to facilitate the purchasing of low cost housing. The period covered was from May, 1948, to December, 1949, when the federal government came into the field and province retired.

The total number of applications were 14,695, and the province advanced \$16.61 million. That is in round figures.

As of January 31, this year there was outstanding, of that, \$5.513 million.

In other words, something in the order of \$11 million has been repaid, something over that. The rate is 3.5 per cent., the number of loans repaid in full as of January 31 were 7,252, the number of loans outstanding was 7,443, upon which there is owed now \$5.513 million. Total losses to date are \$2,185.74.

Mr. Whicher: Mr. Chairman, I wonder if the hon. Prime Minister could tell us when the payments will be all in on this housing mortgage.

Hon. Mr. Frost: They are loans, and it would be difficult for me to say. The rate of interest is low, and very possibly people might continue them on because of the low rate of interest.

Mr. Wintermeyer: Are they all 20 years?

Hon. Mr. Frost: Yes.

Vote 2,207 agreed to.

On vote 2,208:

Mr. Wintermeyer: Excuse me, would you permit one question on 2,208? On the last page—I did not realize that—that, too, was 2,208. The hon. Prime Minister will note that an item of \$1.5 million bonus for rural, primary and secondary lines under the rural Hydro has been a recurring thing each year. Why does he consider that a capital payment, could it not be ordinary?

Hon. Mr. Frost: Well, it has been so placed in the Act as a capital payment, but I would assure my hon. friend that, although it is capital, we have paid it in cash. That is one of the things that we have retired.

Now, the amount is very much less than it was. If the hon. member would go back to last year, he would find that the amount was \$8 million or \$9 million, something of that sort.

The reason for the reduction is this: southern Ontario has reached pretty well the absorption point in extensions. This year, with the extension, the coverage of the area to two-thirds of a mile, there will be some 2,700 taken on this year. But as a matter of fact, with the extent of the rural system in Ontario, the cost can be absorbed in the ordinary way, and further subsidization is not necessary.

Now, this \$1.5 million really applies now only to northern Ontario, to the developmental area. Southern Ontario now has reached the point where 90-odd per cent. of the farmers are covered, and further subsidization is not required in the south.

Mr. Oliver: Did the hon. Prime Minister say that this applied only to northern Ontario?

Hon. Mr. Frost: Well, for this reason, that the south is self-supporting.

Mr. Oliver: Yes, but with the change in the load requirement there will still be a lot in southern Ontario.

Hon. Mr. Frost: Just the same, it is self-supporting and can carry itself. I am glad to tell this to the hon. leader of the Opposition.

Mr. Whicher: Well, if it was self-supporting, why was it not put through long ago?

Hon. Mr. Frost: Because it has just reached that fine state under this government, that is why.

ESTIMATES, PROVINCIAL AUDITOR

Vote 1,501 agreed to.

ESTIMATES, DEPARTMENT OF PRIME MINISTER

Hon. Mr. Frost: Well, I may as well take the Prime Minister's Department—that is a highly contentious one.

Votes 1,401 and 1,402 agreed to.

Hon. Mr. Frost: Mr. Chairman, tomorrow I will take the estimates of The Department of Economics. Mr. Gathercole is away tonight. I will take that tomorrow morning.

Hon. Mr. Frost moves that the committee do now rise and report certain resolutions.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. H. M. Allen: The committee of supply begs to report certain resolutions and begs leave to sit again.

Report agreed to.

Mr. Oliver: The Department of Economics, are those the estimates the hon. Prime Minister intends to call tomorrow?

Hon. Mr. Frost: Yes. Before I move this adjournment of the House, may I say we will take The Department of Economics tomorrow morning and the items on the order paper, ordinary bills on the order paper, and follow that tomorrow afternoon with either Throne or budget debate. I told my hon. friend that we might not use the Throne debate again but my hon. friend for York South (Mr. MacDonald) is ill, and he wanted to follow my hon. friend for Waterloo North. So we will have our speakers on Throne debate tomorrow afternoon. Now on Monday, we will proceed with the estimates of The Department of Mines.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.20 of the clock, p.m.



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Speaker: Honourable The Rev. A. W. Downer

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, MARCH 7, 1958

11 O'CLOCK A.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Mr. Speaker: Presenting reports by committees.

Motions.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House, the following:

1. Report of the hon. Minister of Education for the calendar year, 1957.

2. Report of the workmen's compensation board of Ontario for the year 1957.

Mr. Speaker: Introduction of bills.

THE ASSESSMENT ACT

Hon. W. K. Warrender moves first reading of bill intituled, "An Act to amend The Assessment Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, there are several amendments here, some of no significance really, a tidying up. Some have significance. This bill is going to the municipal law committee and will be explained in greater detail later on.

THE MUNICIPAL ACT

Hon. Mr. Warrender moves first reading of bill intituled, "An Act to amend The Municipal Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in this case too, the bill will be going to the municipal law committee for full consideration and explanation.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before the orders of the day, I should like to answer a question asked last night by the hon. member for Bruce (Mr. Whicher).

I may say I had to spend a very great deal of time in order to get this information for

him. Having assumed this office only on February 4, I may say there are some of these answers that are not at my fingertips.

It was in connection with the censoring of films by the film board.

The answer to his question is this, that a total of 575 films were reviewed by the board. There were approved without any eliminations or changes, 448. There were approved with eliminations, 42.

A breakdown shows this, that there were then approved for adult entertainment, that is with children not present, 49. There were approved for adult entertainment, after being censored—that is changed, altered with portions of the film eliminated—25. Approved as restricted, now I must admit I do not know what that means, but in any event there were 4. That is without any alteration. Approved as restricted with alteration, 4. That is, there were 8 films in that class. What they are, I am unable to say. I thought that adult entertainment covered the point but there is apparently a new refinement introduced since I had anything to do with this matter and it covers 8 films.

If my hon. friends opposite are interested in what is a restricted film, I would be glad to take them up to the censor board and show them one of these films. Perhaps these restricted films are ones that are meant for hon. members of the legislative assembly. I do not know.

Now, 3 were not approved. That is, 3 eliminated entirely. I have the names here but that is the situation. That totals 575.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost moves Mr. Speaker do now leave the chair, and the House resolve itself into committee of supply.

Motion agreed to.

ESTIMATES,

DEPARTMENT OF ECONOMICS

On vote 301:

Mr. F. R. Oliver (Leader of the Opposition): Mr. Chairman, I am just a little disturbed about this vote, and when I am a little dis-

turbed, it is time that it should be explained in some detail.

I notice that the vote for salaries is over \$100,000 more this year than last. Now this, of course, is the vote for the "brain trusters" for the hon. Prime Minister. After last night, I am just wondering if what we have done so far by way of advisors to the hon. Prime Minister has added to his confused explanations, in respect to debt and interest. I am rather wondering if we are wasting our money somewhat.

Now the hon. Prime Minister last night, apparently on the advice of these highly paid economic technicians, told the House that even though the debt had been increased by \$100 million, it was not necessarily so that the actual increase was taking place, and that although there was an increase in debt, it did not necessarily follow that the interest on that debt was higher than in former years.

Well now, if that is the sort of advice that my hon. friend is getting from these highly paid men, I have some doubt about the wisdom of granting an increase of over \$100,000 in salaries to them, and I think the hon. Prime Minister should tell the House, at this time, just what he thinks about the advice, not about the advisors but about the advice that he gets from his advisors. I say this because, if what he says in the House emanates from these fellows, then I suggest to the House that perhaps we are paying too much for too little.

Hon. Mr. Frost: I would say, first of all, to my hon. friend that concerning the confused explanations that he speaks of last night, the confusion—as far as I can ascertain and gather—really existed only in the minds of himself and his hon. followers, not in what would be termed the reasonable mind.

Now as I say, when I went to law school a great many years ago now, I learned there that in law there is the person who is described as the reasonable man. My hon. friends here, who have attended law school, recognize that he is a person who is set up in law as the average citizen one has to deal with, and "the reasonable mind" is the viewpoint, not of a person who is extreme in his views, but the reasonable person.

Mr. D. C. MacDonald (York South): The country lawyer type.

Hon. Mr. Frost: That is right, the country lawyer type is a very good type. The country doctor, the country lawyer and farmer, and the man who works in a plant, and so on.

Now I would say to my hon. friend that there is no possibility of my appealing to any-

body other than the reasonable person, and I point out that the confusion which the hon. leader of the Opposition claimed existed, did so in a very small segment of this House, and we always find that in humanity, that there is an area that is difficult to—

Mr. MacDonald: To value.

Hon. Mr. Frost: That is right, we do the best to put up with them.

The advice I received in connection with the Provincial Treasurer's Department, of course came from the Treasury officials who were here last night. Now I point out that The Department of Economics is different. The treasury explanations really do not emanate from The Department of Economics, but from the Treasury officials.

Now, The Department of Economics: it is one with which I had much to do many years ago in forming. I think my hon. friends will agree that the requirement of such a department is to be able to study, in a general way, the trends that affect—and are likely to affect—us in this province.

The Department of Economics has performed a very, very useful service and will perform a more important one as days go along. As a matter of fact, the department really had its beginnings with the now Deputy Minister of that Department (Mr. Gathercole) who, as a young man, came to the government about 15 years ago, from McMaster University, which is of course, a very fine institution.

As we developed we found, for instance, that it would be of great benefit to evaluate trends. We went into the federal-provincial conference in 1945. At that time the economics branch of the federal government was under the direction of such men as Mr. Skelton, Dr. Skelton, and others, and there was a great mass of material before the conference in the form of the Green Books, which no doubt the hon. members have seen. I would say that, in going there as Provincial Treasurer, I found that we ourselves had been able to give comparatively little study to these questions which dealt with the probable trends of things in years to come.

After that, we formed the bureau of statistics and the Treasury branch. At that time we had Mr. Chater as the statistician. The compilation of statistics in the department grew, until about a year ago, I think it was, we formed The Department of Economics.

Now the purpose was, I say this to the hon. leader of the Opposition, to have The Department of Economics separate and inde-

pendent from the Treasury branch, so that we could get a very objective and independent viewpoint as to the trends that would take place, not only in business but in many other things. The Department of Transport has found very valuable the incidence and the effects of taxation, and the incidence and effects of the use of highways. I would say to my hon. friend that there are different points of view in connection with that, and it was felt that The Department of Economics would render valuable service, giving an independent viewpoint in connection with certain of those factors.

There were different views last year in connection with the economic trends in this country. There were evidences a year ago at this time, very definite evidences, of recession conditions. Some other governments and some other agencies took the different view that there were not evidences of recession and that, in fact, the matter of inflation was the thing to be met.

As a matter of fact, we took the opposite view as was indicated by the policy this House and this government adopted a year ago. At that time, we felt that it was a mistake to take certain restrictive steps in connection with our economy, notably the hard money policy and the high interest rate policy, which would strike for instance, at house building and things of that sort.

Therefore we in this province intentionally went out and increased our spending in connection with highways and public works, partly because we felt we needed to do those things, but also because we felt that it helped the economy.

Now that viewpoint has, I think, been obviously accepted by all parties. I notice that, for instance, the Liberal group now in the House of Commons have completely reversed their point of view from a year ago, so that after all, I would say to my hon. friend, that perhaps the advice we got from our Department of Economics was pretty good advice. We were going to run into levelling off conditions.

Now provincially, of course, we have not got the powers of a central bank and things of that sort, and perhaps what a provincial government can do to alter economic trends is limited, but within the capacity of a provincial government I think we did a very great deal.

My hon. friend referred to interest rates. That really has nothing to do with the subject matter of this estimate, but I would say to my hon. friend, of course, the reason for that is this.

Although debt is greater in dollars, the interest rates upon which that debt was incurred is very much less than 15 years ago, with the result that the interest rate, the cost of servicing the debt, actually has been reduced in some particulars over those years, because of the fact that we are able to borrow money at 3 per cent. and, as a matter of fact, as low as 2.75 per cent.

Now, that is the point, and with the more realistic policy obviously being followed at Ottawa, we are going to find a very drastic reduction in interest rates. There is every evidence of this, and I think it is going to benefit us here, of course, very materially with the huge amount of borrowing and re-financing we are going to have to do in this province.

I think that answers the points that were raised by my hon. friend, and I hope that it will rescue him from the doubts that have beset him.

With regards this department, the salaries have been increased. That is intentional. I think, with an expenditure of an ordinary account of some \$600 million—it is approximately that—with a capital programme that is verging on the \$1 billion a year, that we should have the best advice.

I would say this, that our department is able to talk business with the banks and with other governments on a basis of equality, and I would say that our department is recognized by all agencies in Canada as one which is thoroughly competent, which of course is a highly desirable thing.

Through The Department of Economics, there are transfers of personnel to other services in the government, which of course, reinforce those other services. Mr. D. J. Collins, for instance, is a young man of great ability. While he was not definitely attached to The Department of Economics, nevertheless that was really his origin. He has become the Deputy Minister of Transport.

Mr. Farrell, who is with the department, is one who, from a research standpoint, has been doing a lot of work for me. If I have made errors in the description of that work, I can assure hon. members that it is not his fault. It is due to my own outlook, as my hon. friend has said, as a country lawyer.

Mr. Whicher: What is the use of having advisors if the hon. Prime Minister does not take their advice?

Hon. Mr. Frost: Well I do endeavour to take their advice insofar as my mental capacities permit me. Now, Mrs. H. G. Rowan

was chancellor to The Department of Municipal Affairs. Mr. R. Cooke, a young man from overseas, as a matter of fact, a very able young fellow, who majored in problems of highways, has been transferred to The Department of Transport. Mr. Verbrugge, who majored in the matter of the economics of hospitals, was transferred to the Ontario hospital services commission.

Now I would say that the development of personnel there has very much helped in other departments. I am not looking to bringing new men into the service to do the job, but I think it is highly important to develop the personnel we have. I think one of the great possibilities we have in the Ontario civil service is to develop the approximately 35,000 employees we have, because we have very great abilities and talents there, if we give them the opportunity. I think we are tending toward the development of our own services.

I think that that is the place where we can make very great advances in our civil service. With the men and women we have there, thousands of them, with opportunities to come along and to assume executive positions and to really have the opportunity of devoting their talents to the problems of this province, there are very great possibilities ahead for us.

Mr. MacDonald: Mr. Chairman, I want to make a few brief remarks in connection with this.

I think the function and place of an economics department in modern government is an obvious one. I do not think there is any further need to defend it or to dispute it.

There is related to it another problem which I raise now without pursuing it.

Since inevitably a fair proportion, some proportion, of the time of The Department of Economics is used for the political purposes of the party in power—inevitably so, they are under its instructions and they dig out the answers to suit its political purposes—how can the picture be kept in balance by something of an equitable provision of resources to opposition parties?

This is something that Rt. hon. Mr. Diefenbaker and his colleagues were very disturbed about when they were in opposition in Ottawa. I do not know how they have altered the picture now they have come into power, but I think it is something which has to be examined in all Legislatures.

However, Mr. Chairman, the question that provoked my rising is really a follow-up one that came from the hon. leader of the Opposi-

tion, and has been elaborated on even more now by the hon. Prime Minister's indication that many of these people are being moved out into other departments.

If they are being moved out into other departments, what is the explanation for such an increase in salaries—are more personnel being brought in, new recruits?

A specific question I wanted to ask is this: What is the size of the personnel, and particularly how many part-time people are hired by The Department of Economics, thinking for example of students in the summer time? I think this is a good procedure, but how many part-time personnel are brought in for 3 or 4 or 5 months in the summer time?

Hon. Mr. Frost: Mr. Chairman, with our Department of Economics, as a matter of fact with the Treasury branch, we have endeavoured—and I think the hon. member will agree, to make the services of this department available to hon. members insofar as is practicable.

I think the hon. member has discussed these things with Mr. Gathercole and others, and I appreciate that, I am glad that that is so. Many other hon. members of the House—the hon. Opposition financial critic (Mr. Wintermeyer) for instance—have obtained information from The Department of Economics and from the others, and also the hon. member for Riverdale (Mr. Macaulay). A great many have availed themselves of that.

I would say that I do not want The Department of Economics nor indeed do I want the Treasury Department or any other officials to be rubber stamps for my particular view or for any political view. I endeavour to have our officials be themselves, and to express their views to me and to others, from this standpoint that the thinking and freedom of action should be stimulated as far as is practicable, within any government or business organization. We have, I think, endeavoured to accomplish that.

Now Mr. Gathercole tells me that there are 43 members of that department at present. This is less than the number was 8 months ago, due to the transfers to other departments which we hope to make up for, and we will make up for, by getting bright young fellows from our universities as we are able to pick them up.

The hon. member for York South knows that there is a good deal of competition for men nowadays. Mr. Gathercole says we take on about 10 post-graduate students during

the summer to do particular jobs and particular work. Now, in addition to that, we have endeavoured to utilize the services of the economics departments of various universities.

Among others whom I can just name off-hand, who have been doing particular projects for us, is Professor Knox at Queen's. He is a very busy man, whose services we would like to utilize more, but he is engaged in certain post-graduate work and studies himself for his university. But we have used Dr. Knox whenever we could get his services.

From the University of Toronto, of course, it is well known that we have used Dr. Malcolm Taylor a very great deal, and also his staff. We have used Professor McGregor of that same department to quite an extent.

Then there is Professor Riley of Western University. I mentioned Dr. Jackson of the Ontario College of Education the other day; he has done an immense amount of work for us in matters of study, education, school grants and that sort of thing.

But specifically the answer to the hon. member's question is, 43 members, which is somewhat less than a year ago, but we hope to recruit the staff up again, and there are about 10 post-graduate students doing work during the summer.

Mr. MacDonald: There is only this obvious comment, that if a lot of higher priced help who are more experienced have been moved off into other departments, and the government brings in people who normally are going to start at a lower salary—there are fewer on the staff now than there were 8 months ago—if the department is asking for \$100,000 more, there must be a very healthy cushion in the budget for a heavy recruiting programme far beyond what is there now.

Hon. Mr. Frost: On the advice of the Deputy Minister the salaries for 1958-1959 have been raised some \$57,000, and that is included in the appropriation total.

Mr. Oliver: Mr. Gathercole, of course, has advised the hon. Prime Minister in respect to salaries. The figure I have here is that in 1956-1957, he spent \$156,000 in salaries, and this year he is asking for \$267,000. Now that certainly is a lot more than \$57,000 according to my figuring.

Hon. Mr. Frost: That is in two years.

Mr. Oliver: In two years?

Hon. Mr. Frost: Yes.

Mr. Oliver: 1956-1957, that is one year.

Hon. Mr. Frost: The hon. leader of the Opposition is taking 1956-1957 and 1957-1958 as two years

Mr. Oliver: That is right.

Hon. Mr. Frost: These are the estimates as I have it. Salaries in 1957-1958 were \$210,000, in 1958-1959 will be \$267,000, that is an increase of \$57,000. Travelling expenses are \$5,000 each year. Publications, maintenance and things that come under that item were \$28,000, as compared with \$48,000 this year. Special studies were \$14,000 in each year. Special studies would include specific studies, regional studies and things of that sort.

Vote 301 agreed to.

Mr. Oliver: In respect to the specific studies in 1956-1957, I appreciate that the public accounts are a year behind, so that there is a year in between, but in 1956-1957 the \$14,000 was spent in salaries and expenses to McGregor, Taylor, Martin, Ogilvie and Tattle. Now I imagine that was in preparation for the hospital insurance, would that be right? That apparently was the main investigation in that particular year.

Now, could the hon. Prime Minister tell me what this \$14,000 was spent for last year? Was there a particular study? Or was it spent in various directions, and who got the money last year out of that fund?

Hon. Mr. Frost: Apparently it was used to reduce the debt last year.

Mr. Oliver: It was not planned at all—

Mr. MacDonald: What we find out when we dig a little.

Hon. Mr. Frost moves that the committee do rise and report certain resolutions.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

The Chairman: The committee of supply begs to report that it has come to a certain resolutions, and begs leave to sit again.

Report agreed to.

Hon. Mr. Frost: Mr. Speaker, I move you do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to.

House in committee; Mr. H. M. Allen in the chair.

QUEEN'S UNIVERSITY, KINGSTON

House in committee on Bill No. 17, An Act respecting Queen's University at Kingston.

Hon. L. M. Frost (Prime Minister): Mr. Chairman, in considering this bill, I wish the hon. members would also take into consideration the principle of the bill following, that is the bill respecting Waterloo College. Now the point at issue in these bills is the power of expropriation, which both bills have in varying degrees.

In the question of Waterloo College, there is a general power of expropriation of part of that new university. That general power of expropriation has not been the subject, as far as I know, of any opposition on the part of the people of Waterloo, or the Kitchener area. This bill is sponsored by the hon. member for Waterloo North (Mr. Wintermeyer). I regret he is away today, but I am in favour of this bill and I am also in favour of the Queen's University bill.

In the Queen's University bill, there are specific powers of expropriation requested. As a matter of fact, it may have been that, had Queen's University asked for the general power of expropriation, there might have been little comment about it, but Queen's University, instead of asking for a general power of expropriation, asked for a specific power which covered some 12 properties that they wanted to expropriate.

I have given this a good deal of attention because I have had some letters directed to me about the Queen's University bill, and therefore I have looked into them both.

I would point out that the University of Toronto has general powers of expropriation and they are using these powers.

The University of Toronto here in the last year has expropriated, under the powers in their bill, all of the area lying west of the university, lying north of College Street, south of Harbord Street and east of Spadina Avenue.

Of course, there are some problems of hardship in that area. On the other hand, here is the university faced with and endeavouring to get ready for, a flood of students who are going to be 4 times as great in number, in the coming 20 or 25 years, as the present university population.

Of course, the problem of the University of Toronto might be somewhat different, it is debatable and indeed it is more than debatable that there should be two universities here in Toronto, and that is being advanced by very thoughtful students of the university picture in this area.

However, that is really not applicable to what I am referring to, other than to say this, that at the time of the expropriation last year, of this very large and expensive area west of the university, the question came about as to whether the university might better go to the outskirts of Toronto or Metropolitan Toronto and acquire their new land. One place that was discussed was in the area of Aurora, another area that was looked at was in the Markham district.

Now, of course, the great problem for the university people is this, that if a staff is to look after problems in, say, this area the problem of commuting from one area to another, which is a highly expensive and time-consuming matter. If a university staff is to look after problems in say, this area here, where we have an immensely expensive plant and equipment, and the personnel is to be transferred out to Aurora or the township of Scarborough, or some other place, where other university buildings are, then the time element involved in staff transfers is very great.

After looking at the whole thing the judgment was, and I agree with it, that the University of Toronto is committed to the area where it is, because of the immense investment there is in plant and equipment.

If a new university is required in the Toronto area, then it has to be a distinctly new operation, and of course then, perhaps, there is practicability to its location being on the perimeter of Greater Toronto.

The problem of Waterloo College is different. Here is a new school, a new university, made up of two colleges which are presently in operation in the Kitchener area. They asked for general powers of expropriation. And the committee in its wisdom gave them that, and there was no objection from the Kitchener-Waterloo area, and I see no reason for denying them that power which also is possessed, I think, by Western University as well as the University of Toronto.

With Queen's University, the situation is different. Queen's University, instead of asking for a general power, asked for a specific power to deal with some 12 properties that are involved and are necessary to them for very large expansion that they want to get ahead with this year. It is a multi-million dollar proposition in the city of Kingston, with these properties they feel are necessary for their purposes.

Now I have looked into this. These 12 properties of course involve old families in Kingston, they involve people who are up in years who hate to leave their premises and

their properties, and I am in full sympathy with them. On the other hand, what do you do in this age in which we live?

Mr. F. R. Oliver (Leader of the Opposition): May I just ask the hon. Prime Minister—so he may put the whole thing before the House—if he caused a study to be made of the claim that Queen's University could have utilized land they already possessed?

Hon. Mr. Frost: Well, I have not other than this, that the Queen's University board is a very highly qualified board and, after all, I do not think it is our problem what they do any more than we would with Waterloo College, which has a general power of expropriation in the area.

What I did do was this, generally speaking. In Kingston, we could compare the situation with the people of Iroquois, for instance, who did not want to leave their beautiful little town and go to another one, no matter how nice it was. But there was the great matter of public interest in Canada, and the necessity of expropriating really the entire site of the former Iroquois and moving the people to a new location. That was done in the public interest. There were all sorts of disruptions to family life, and in the historical connection of people with the community.

I did this, I had a chat with Mr. Gill, the chairman of the Queen's board. Mr. Gill is the president of Canada Life, and with his board has recently engaged in a campaign to raise \$4.5 million for Queen's University, and they have done a very excellent job, and this land is part of the requirements of Queen's University in the big expansion programme.

Now, I asked Mr. Gill about this, and Mr. Gill told me that these properties were absolutely necessary for the development of the university. He told me that he would personally go to Kingston and see each one of these families, and explain the situation to them, and, as a matter of fact, he left for Kingston yesterday to go down and see them personally. He assured me, as he assured the committee on private bills, that they have offered to these people, I think—and I do not think there is any dispute about this—very handsome remuneration for their properties. He said he was perfectly prepared to do this, and he gave me his word on it, that if any person was dissatisfied with the remuneration offer, that they were prepared to let it go to arbitration, putting the floor of that offer under any offer that was made. Now, I think that is a very generous thing, as hon. members can well understand.

If these people, were to go to arbitration, the arbitration board might make a totally

different evaluation from the offer that was made. The offer then would have no meaning. But Mr. Gill told me that they would be prepared to leave the floor there, as to the offer that was made, if settlements were not made. I do not think there could be any more reasonable or fairer proposition than that.

Now, of course, it is too bad to see some person up in years, say 80 years of age, who has lived in a house, all his or her life, have to move at that time. I am completely sympathetic to that point of view. Myself, I would dislike having to alter my life and to move.

On the other hand, Mr. Chairman, what should we do in these cases, in a growing province, where this university is one that we are depending upon to give us the men and women who can do the job in the sputnik age, when we are going to be faced with 4 times as many students as they have today? What are we going to do about it? After all, there is on the other side of the question, there is the great matter of public interest, and I think we have to view that from the standpoint that these people will not be injured.

It is true that their lives are dislocated, it is true that they are going to meet adjustments; these things we regret, but I think that it can be done in a way which will not make it a financial hardship for them, and that the transition could be as easy as possible.

Mr. Chairman, I now have had some experience in this matter. I made a promise to this House some 4 or 5 years ago, at the time of the St. Lawrence undertaking. Hon. members realize the difficulties of moving 6,000 or 7,000 people last summer.

I went down at the request of the council of the town of Iroquois, and I opened the new town, which was an entirely different one from the old Iroquois. As a matter of fact, I motored down to the old Iroquois, in which nobody lived, and it looked like a deserted village. Of course, it was a deserted village, because it was about to be demolished.

Then I went through the new town, and I did not have a single, solitary complaint from anybody, not one in that day I spent there. I went down there among the people, I was with Mr. Davis, the reeve, who had been, as hon. members know, one of the people who greatly questioned the possibility of difficulty. I went with him and I say not one person came to me with a complaint.

I think that is a practical application of what I am saying: those people did not want to move from old Iroquois, of course they did

not. They did not want to leave their homes, every brick in their buildings was a friend of theirs. They did not want to leave, but in the end, when it was done—it was done, I think, in an atmosphere of decency and understanding—with the result that we have a new community there, and as I say, we have a people who showed every evidence of entire satisfaction with what was done.

I by no means say—the hon. member for Grenville-Dundas (Mr. Cass) is here, it is his area—I by no means say that every wrinkle has been ironed out, because no doubt there are some, but nevertheless, in the great overwhelming total, it has been done.

I would say, in response to these questions which have been raised, that I am satisfied that Mr. Gill and his board will treat people there decently, and will help them in this thing that is really necessary for that university and that community, and for the general public interest that we have.

Mr. Oliver: Mr. Chairman, we agree at once of course that it is necessary that a great university like Queen's should have not only the right, but the opportunity, to expand to meet the challenges educationwise of our times.

But I think the hon. Prime Minister mentioned this, there is another duty that falls on the shoulders of legislators, and that is to protect the public interest. In this particular case, two things I think should be remembered. One is that this matter was all quite thoroughly discussed before the committee on private bills. Now there was not what one would call unanimity of opinion amongst the hon. committee members, in fact I think the vote was some 14 to 11, which indicates that, on both sides of this question, very strong views were given expression before the committee.

Now, there is just this one thing that I want to point out. I have received considerable correspondence, and I presume the hon. Prime Minister has too, and I have had interviews with a number of people from Kingston, some of whom were graduates of Kingston and keenly interested in the expansion of that university.

One gentleman who was in to see me was himself a graduate of Queen's, and he was quite strongly of the view that the land that Queen's had now under its control, was quite sufficient for expansion purposes. That is why I questioned the hon. Prime Minister on this point. I think we should, in some real way, satisfy ourselves as to that matter. If the land that they presently have is all

right for expansion purposes, that should be taken into consideration.

I do not know whether the hon. Prime Minister has read the editorial in the *Kingston Whig-Standard*, but I want to read it to the House because I think all members will agree that the *Kingston Whig-Standard* is a good solid newspaper.

Hon. Mr. Frost: Yes, I read it.

Mr. Kerr: We all got it.

Mr. Oliver: Well I do not care whether the hon. member got it or not. I want to read it into the record because it points up, as the *Kingston Whig-Standard* says, a situation.

Now, the last 3 paragraphs said this:

In effect, Queen's will be telling Kingstonsians to move over, whether they like it or not.

As we have said before on this question, expansion is necessary and the land must be acquired, but this does not excuse the fact that the threat of expropriation is a club which has been ruthlessly handled by Queen's, or at least by agents acting on Queen's behalf.

Let the Legislature, when it considers this private bill, remember what freedom is and how the passage of this bill will transgress that freedom, and if the bill is still passed, let Queen's be wary indeed of using such arbitrary powers.

Expansion is necessary and the university must grow bigger, but if bullying is to be a quality of that bigness, then what Queen's used to be is infinitely preferable to what it is going to be in the future.

Now, I think on our shoulders, as legislators, this is quite a serious responsibility, and I just doubt whether we should let this bill go at the present time, as my hon. friend has suggested it should. I would be satisfied if the hon. Prime Minister made a further examination on that one particular point, as to the land that is presently available.

I suggest this after the interviews I have had with Mr. Askill, who is a graduate of Queen's himself, and whose father was quite closely connected with the management of Queen's University. He was quite strong in his statement that the land Queen's now has under its control would be suitable for this expansion.

The only other point—and it was mentioned by the hon. Prime Minister—is this, that apparently in these houses that are to be

expropriated and torn down, to make room for a bigger Queen's, live a lot of people who are, as the hon. Prime Minister said, old or disabled in some way. The valuation that would be put ordinarily on those houses, I suggest to the House, would not take fully into consideration the inconvenience that it would cause those people, who would have to move away where they would need to have a car to get around, and where they would need certain particular services that are presently available to them in their own location.

If there is to be expropriation, some way or other, I think we ought to protect, not nominally, but fully, the rights of these people in that locality.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, I attended the meeting that morning of the private bills committee, and I heard the discussion on both sides. I think that one would be convinced of the need for an extension to the university, there is no doubt at all about that, and those opposing the expropriation admitted that the price offered by the university was a fair one. They were agreed on that.

But their main concern was this. Some of these homes were income homes. They had been providing a living to the owners because of students in the university having rooms there. Now, there was no consideration given to that at all, and I think there should be, because there was one individual there, one gentleman 82 years of age, and it was his only means of livelihood. He had a housekeeper there to look after the students who were renting rooms from him.

Another point that I am a little bit concerned about is this, Mr. Chairman. I would like to get clarification from the hon. Prime Minister. Here we have a private company applying for powers of expropriation. Are we creating a dangerous precedent? They are without a doubt a private company. We agree, I think, the need to extend the university is there, but nevertheless a private company is seeking powers of expropriation from this Legislature.

Hon. Mr. Frost: I would say to my hon. friend that, of course, this runs with both bills. I mean we cannot treat Queen's any different from the way we treat Waterloo College—with Waterloo there is nothing I can investigate because they are given general powers.

Now, I would say that, if the Legislature in its wisdom wants to hold up these bills and go into it, as a matter of fact, I think then we perhaps ought to review it with both

Western and Toronto that have broad powers — review the whole thing.

I think, myself, that the matter of holding these bills up is one that we should ponder over. If Queen's is to lose a year in its expansion programme, I would say it is a serious matter. Do not let us have discussions about the problems of these days and the problems of higher education if we are not going to facilitate these things.

Now I am not saying that we should be rushed into anything, but I point out that it is a matter of importance.

Now, concerning the bill, Mr. Gill yesterday gave me this. As a matter of fact, he has gone to Kingston and is there now.

The proposed bill grants powers of expropriation only in their respect to 11 properties, and Queen's needs these for its necessary expansion programme. The university has endeavoured to find alternative methods of acquiring these properties, and has negotiated for them, but without success. The university promises to continue to exhaust, to the limit, the procedure of negotiation.

Liberal prices have been offered in every case. The university has been willing to pay, not only 100 per cent. of today's property values, but has added, in every case, an amount of 20 per cent. thereto.

In addition, the university has been willing to pay more on compassionate ground (which is the point that I think was mentioned) in cases where hardship has been involved, and has already spent some thousands of dollars for such needs. The university further covenants that, if it is entrusted with the powers under this bill, it will continue to follow the same course.

Now Mr. Gill gave me his word personally on that yesterday.

Well, the university is a public body. Its efforts to expand, in order to provide for its share in the oncoming increase of university registrations, are at stake. Expropriation powers have been granted to the University of Toronto, to the University of Western Ontario, and we believe this week to Waterloo College, and therefore it is reasonable that Queen's should have these limited powers in order to fulfil its responsibility to the province, and to the country, in the way of an increase of buildings in order to graduate more students.

The full board of the trustees of the university have carefully considered this bill, and have given the principal and chairman full backing on the efforts they are making.

Now that is all I can give hon. members. The point is this. We have given these general powers to other universities. This is a case in which specific powers are requested by Queen's University. Perhaps if they had asked for general powers, we would not be faced with difficulties from specific people. I think probably that is the difference, but I would say to the House that I think the problem is this.

Are we competent? Are we going to set ourselves up as a board of review to see whether or not these universities need these things? Supposing Waterloo College steps in and wants to expropriate some land. I do not think that we want to be in the position that we have to pass upon whether they should take it or not. I would not want to pass on whether or not the University of Toronto should take the lands that they have taken, involving several hundred people.

This is a matter that I think must rest with the board. Surely we cannot audit what they do. The board is there, but if it is felt that the matter should be reviewed then, of course, they are all in the same position. We cannot make fish of one and flesh of the other.

Now, all I can do is this. I think I give the House the assurance, from the chairman of the board who is a highly reputable citizen of this province, that these people would be dealt with more than fairly. I think perhaps we had better follow the advice of the private bills committee which, after all, reported this bill.

Hon. A. K. Roberts (Attorney-General): Mr. Chairman, just before you put the vote there, might I say that I do not think we should overlook at all, in this discussion, the fact that there are adequate rights of appeal to anybody, in expropriation proceedings — whether it is done through an arbitrator, through the county judge, or through the municipal board—there is the right of appeal on the question of valuation and fair value as far as to the court of appeal, and I presume if the amount involved is large enough, even on to the Supreme Court of Canada.

Therefore, in respect to the remarks from the hon. member for Oshawa, it would seem to me—and I am just giving this as an off-hand view—if it could be shown that a certain property was acquired, and the value given at the time included a right such as he has suggested there of boarding-house facilities and so forth, that that would be proper evidence to use in arriving at a proper valuation on an expropriation procedure.

Section 1 agreed to.

Mr. W. Murdoch (Essex South): As a member of this private bills committee, it was quite apparent to the hon. members there, that the big fault, and possibly the reason why the bill did not get wider support in the committee, was the fact that it is quite evident that there was a very poor public relations job being done by the university officials. There were many things that came out that, more or less, proved to the hon. members that they had made very little attempt to negotiate with the owners of the properties. It would seem to me that we are on dangerous ground, giving boards expropriation powers such as this. It is my opinion that we should restrict such powers to elected people, for instance, councils and elected bodies, because by and large, the elected bodies do a little better, in a more sympathetic way, than a college board would.

The people in the homes found that they could not get answers to the correspondence when they were asking questions, and it was also brought to light, in the meeting, that the officials of the university said they would not actually need the homes, and the people could live in them for some time, but that they would use part of the lots.

Well, it was quite evident again that the people living in those homes did not know that until they came to the committee meeting. In other words, it was quite apparent that perhaps they were basing their whole approach to this on the fact that they would get expropriation powers and authority, and they did not do the proper job of working with the people on that level, and of speaking as officials of the university to neighbours with whom they must get along.

Now, with regard to the boarding school aspect, I think that this is only brought in as it were because I believe that dormitories are going to be built. I think it is part of the immediate programme of the university, to build dormitories, and these homes will not be used. There just will not be anybody in them when the dormitories are built.

Sections 2 and 3 agreed to.

Schedule A agreed to.

Schedule B agreed to.

Preamble agreed to.

Bill No. 17 reported.

WATERLOO COLLEGE ASSOCIATE FACULTIES

House in committee on Bill No. 16, "An Act respecting Waterloo College Associate Faculties."

Hon. Mr. Frost: May I say to the House, in connection with these expropriation bills, that there is a case coming up in the court of appeal in the next few days in relation to compensation. I have asked the hon. Attorney-General to have a solicitor there, a counsel there, not for the purpose of intervening but for viewing the procedures and the attitudes which are taken.

Now, I also propose to do this; I have asked the hon. Attorney-General to look at the matter of expropriation, not only the powers of taking, but the matters of compensation, and we are going to have a look at that. As a matter of fact, frankly I have some misgivings about the powers in the Waterloo bill, I think the Waterloo powers are much too broad. Under the Waterloo bill they may expropriate the Parliament Buildings.

I think perhaps we should have a look at these powers of expropriation contained in many bills, and I have asked the hon. Attorney-General to look at that and see what the situation is, and probably there are some things that should be done in matters of expropriation to assure that the rights of Her Majesty's subjects are fully preserved and protected.

Mr. J. Root (Wellington-Dufferin). Mr. Chairman, I would just like to say something on that. I am very pleased to know that the hon. Prime Minister is asking the hon. Attorney-General to have a look at this problem of expropriation. I raised the point in the House the other day about the attitude of one of the commissioners and I think the people of Ontario are getting to the point where they just wonder what rights they have left. I was not at the committee on private bills on the day the Waterloo and Kingston bills came up, but I agree with the hon. Prime Minister that this Waterloo bill does give a lot of power.

Hon. Mr. Frost: We are going to have a look at it all.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 16 reported.

CITY OF CHATHAM

House in committee on Bill No. 9, "An Act respecting the city of Chatham."

Sections 1 to 7, inclusive, agreed to.

Schedule agreed to.

Preamble agreed to.

Bill No. 9 reported.

VILLAGE OF PORT PERRY

House in committee on Bill No. 11, "An Act respecting the village of Port Perry."

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 11 reported.

VILLAGE OF WEST LORNE

House in committee on Bill No. 13, "An Act respecting the village of West Lorne."

Sections 1 to 3, inclusive, agreed to.

Schedule agreed to.

Preamble agreed to.

Bill No. 13 reported.

BOARD OF EDUCATION FOR CITY OF SAULT STE. MARIE

House in committee on Bill No. 32, "An Act respecting the board of education for the city of Sault Ste. Marie."

Sections 1 to 4, inclusive, agreed to.

Preamble agreed to.

Bill No. 32 reported.

TOWN OF FORT FRANCES

House in committee on Bill No. 35, "An Act respecting the town of Fort Frances."

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 35 reported.

CITY OF FORT WILLIAM

House in committee on Bill No. 40, "An Act respecting the city of Fort William."

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 40 reported.

SCHOOLS ADMINISTRATION ACT, 1954

House in committee on Bill No. 46, "An Act to amend The Schools Administration Act, 1954."

Sections 1 to 11, inclusive, agreed to.

Bill No. 46 reported.

THE CANCER ACT, 1957

House in committee on Bill No. 74, "An Act to amend The Cancer Act, 1957."

Sections 1 to 4, inclusive, agreed to.

Bill No. 74 reported.

THE CEMETERIES ACT

House in committee on Bill No. 75, "An Act to amend The Cemeteries Act."

Sections 1 and 2 agreed to.

Bill No. 75 reported.

THE TOURIST ESTABLISHMENTS ACT

House in committee on Bill No. 76, "An Act to amend The Tourist Establishments Act."

Sections 1 to 4, inclusive, agreed to.

Bill No. 76 reported.

THE MUNICIPAL UNCONDITIONAL GRANTS ACT, 1953

House in committee on Bill No. 77, "An Act to amend The Municipal Unconditional Grants Act, 1953."

Sections 1 to 3, inclusive, agreed to.

Bill No. 77 reported.

THE STATUTE LABOUR ACT

House in committee on Bill No. 78, "An Act to amend The Statute Labour Act."

Sections 1 to 3, inclusive, agreed to.

Bill No. 78 reported.

THE HIGHWAY IMPROVEMENT ACT,
1957

House in committee on Bill No. 79, "An Act to amend The Highway Improvement Act, 1957."

Sections 1 and 2 agreed to.

Mr. H. C. Nixon (Brant): Will these permits be issued as a matter of routine, or should a person make certain they are going to get a permit for an entrance onto the highway before they build their house, or after they build their house? Would they be held up? As my hon. friend knows, along the highways outside of the cities, almost the entire building programme for the communities are along these highways.

Is there any charge for this?

Hon. J. N. Allan (Minister of Highways): I may say to my hon. friend that the purpose of this subsection is to indicate definitely that a permit is necessary. A permit has always been required, and it should be obtained before the building is proceeded with, in case for any reason such construction would not be approved.

Usually, as is suggested permits are issued as a matter of routine, but especially since there is such a tendency for what amounts to subdivisions to develop along the highways, and in co-operation with planning and design, by a great many townships. That is, such subdivisions are required to be approved. Only upon approval are permits granted—this is done to prevent entrances being established indiscriminately.

Mr. Nixon: Does the hon. Minister say that that I cannot open a gate? I cannot hang a gate along the highway without a permit from him? I am afraid I am going to find myself in jail very shortly if I want to get out of a field onto the road.

Mr. Oliver: With a whole book of permits.

Mr. Nixon: I have to have a permit for every gate I hang along the highway, is that not what that means?

Hon. Mr. Allan: Well, it means that the hon. member is asking for an entrance on the highway.

Mr. Nixon: But we cannot construct a gate.

Hon. Mr. Allan: As a means of access to the King's highway.

Mr. Nixon: That is what gates are used for.

Hon. Mr. Allan: That is as a means of access. The hon. member can construct anything as long as it is not a means of access.

Mr. Oliver: Well, what would one want a gate for?

Hon. Mr. Allan: Well, why not have a permit if it is a means of access?

I think, Mr. Chairman, there is no difficulty in this connection. It is a procedure that has been in effect for years. The hon. member from Brant knows that.

Mr. Nixon: Well, I did not know it, no. I know when the Hydro commission came along to build their lines, they opened gates onto the highway. Did they have permits from the department for that?

I never thought of such a thing, or heard of such a thing before, that I could not open a gate onto the highway without getting a permit from the hon. Minister.

Hon. Mr. Allan: Mr. Chairman, as I have already pointed out, this refers to someone who intends to have access to the highway. Of course the gate is evidence of such access.

Section 3 agreed to.

Hon. Mr. Allan: Mr. Chairman, I move that the new subsection be amended by striking out, "with the approval of the Minister," in the first and second line and by striking out "him" in the second line and substituting "the Minister," so that it would read: A county may at any time, submit to the Minister for his approval a by-law covering estimated expenditures on roads supplementing the by-law submitted under subsection 1.

Sections 3 to 5, inclusive, agreed to.

Hon. Mr. Allan: Mr. Chairman, I move that this subsection be amended in exactly the same manner as section 3.

Sections 6 and 7 agreed to.

Hon. Mr. Allan: Mr. Chairman, I make a similar amendment concerning section 8 as it affects a city, town or village.

Sections 8 to 10, inclusive, agreed to.

Mr. Nixon: Just before the bill is reported, I would really like to have some clarification on this business of gates. Am I supposed to have a permit that I can show to a policeman that I have a right to have a gate opening up onto the highway? If I have, if I must have those permits, would the hon. Minister send me 8 right away please, before I get arrested? How much are they? I will pay him right now.

Hon. Mr. Allan: Mr. Chairman, if he tempts me too much and it was possible to have him arrested, I might do so. The hon. member knows very well that for anything he already has, he does not need a permit.

Mr. Nixon: Not if I got it illegally?

Hon. Mr. Allan: No. Anyone who has property adjoining a highway has entrances. They have gates, they have anything that exists at the time that the thoroughfare becomes a highway, and they do not need a permit for it because they already have it.

But if, as could be possible in a growing community like St. George, there was a desire to sell off lots and to establish gates for access to serve all those lots, a permit would be required, and then the matter would have to be decided as to whether the permit would be issued for a subdivision entrance or whether it would be for a private entrance.

Mr. Nixon: Is there any charge?

Hon. Mr. Allan: I do not think there is for a permit.

Mr. Nixon: The hon. Minister mentioned that a person might buy 2 or 3 acres adjoining a village or a town, and seek to subdivide that, and want a gate into each lot. It is quite understandable that this might provide some inconvenience.

What the department is doing, of course, as the hon. Minister well knows, is putting it on every highway, every King's highway in the province, far away from any village or town. He is going to say to every farmer on highway No. 10, running to Owen Sound: "If you are going to open a gate on that highway, you are going to have to have a permit." Now, is that what the hon. Minister wants to do, or does he want to seek to correct and deal with this particular situation that he mentioned?

Hon. Mr. Allan: The purpose is to help the person whose property adjoins the highway, and to make certain that he does not do something that is going to create an embarrassing situation for himself. That is, that the thought here is to impress upon a person that, before he does anything, he should apply for a permit.

If the permit is not granted, which is unlikely in the usual course of procedure, then the person knows before he has put up a building or made any expenditure or commitment, that the permit will not be granted. Individual private permits are granted to matter of routine, and there are practically no restrictions on them.

Mr. Oliver: Why are they required then, if they are granted as a matter of routine?

Hon. Mr. Allan: The purpose of the permit is to make sure that whatever is being undertaken along the highway fits in with the plan of our control of highways. If permits were

not required for a gate or a building. A gasoline station or similar building might be built upon a location for which an entrance permit would not be granted. The station would be built and someone would suffer, whereas if he had applied for a permit in the beginning, no one would suffer.

Mr. Oliver: That is all right so far as a building is concerned, but so far as an open stretch of field is concerned, I think it is ridiculous.

Hon. Mr. Frost: This applies only from the time this becomes law. It does not affect any of my hon. friend's gates at all. If he wants to put a new gate on, then he should get a permit.

I would say that there have been some very difficult cases arising from new highways and highway construction, that people have gone to a great deal of expense in putting in foundations, for instance, for a house or something of the sort, and then have found that they have not complied with the highway requirements, and they found that what they did was not in accordance with the regulations. Now, as a matter of fact, the purpose of this is to try to prevent those things happening before they take place.

Now there have been several cases of that. I have had some quite embarrassing ones, I can assure the hon. members involving that point.

Mr. Oliver: What I will advise my people to do now along the highway is cut the piece out of the fence of sufficient width to get their vehicles through. But nobody bothers much about a fence now along the road, so I will advise him not to put a gate on it. Then he will be all right. I think that would be sound advice.

Hon. Mr. Frost: Well, of course, remember, he has to get through the ditches and everything, and he might break an axle doing that.

Mr. Oliver: Well, the ditches are all filled up now, all filled in.

Hon. Mr. Frost: Since 1934, the hon. member means.

Mr. Oliver: Yes.

Mr. Thomas: Mr. Chairman, I may say that I really think that a certain measure of control should be exercised by the hon. Minister. I am reminded of the state of affairs from West Hill to Oshawa. If they had been allowed to establish places along there, it would not be a highway at all. It is just as well that the hon. Minister has exercised control in that area, because if they had been allowed to build haphazardly—well, it would not be a through highway at all.

Bill No. 79 reported.

Mr. Frost moves that the committee of the whole House rise and report certain bills without amendment, one bill with amendment, and begs leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills without amendment, and one bill with amendment and begs leave to sit again.

Report agreed to.

Hon. Mr. Frost: Mr. Speaker, in drawing to your attention the fact that it is 12.45 may I say, sir, that on the resumption of the House, p.m., we will proceed with the Throne debate.

It being now 12.45 of the clock, p.m., the House took recess.

ERRATA

(Wednesday, March 5, 1958)

Page	Column	Line	Correction
554	2	36	Change "Mr. Gordon" to "Mr. H. A. Worton (Wellington South)".
557	1	42	Change "Mr. G. J. Monaghan (Sudbury)" to "Mr. Worton".
From page 554, column 2, line 49 to page 557, column 2, line 10			Where "Mr. Gordon" appears, change to "Mr. Worton".



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Friday, March 7, 1958

Afternoon Session

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, MARCH 7, 1958

2 O'CLOCK P.M.

The House resumed.

SPEECH FROM THE THRONE

Mr. H. J. Price (St. David): Mr. Speaker, may I take this opportunity to offer my congratulations to the hon. member for Peel (Mr. Kennedy) and the hon. member for Glengarry (Mr. Guindon) for their fine speeches in moving and seconding the motion for an address in reply to the speech from the Throne.

During the recess of the House, we were saddened to learn of the passing of two of our colleagues — Fletcher Thomas of Elgin and Thomas Pryde of Huron. Although they are no longer with us, they leave us the heritage of their good deeds and unselfish service to Ontario. I had the privilege of friendship with Fletcher Thomas. He stood for something here in Ontario, and we shall miss him.

To the new hon. members of the House, elected since our last session, I extend my heartiest congratulations. I am sure we all hope their political endeavours will continue to be crowned with success, and that they will enjoy many years of public service.

Mr. Speaker, I am pleased to offer congratulations to hon. Dana Porter who recently vacated his seat in this Legislature to accept the appointment of Chief Justice of Ontario, and to become a member of the appeal court of Ontario. Hon. Mr. Porter is one of our finest citizens, and with his great aptitude, both as a scholar and legal counsel, will, I am sure, bring distinction to his new post. During his many years in the House, he has served the province in turn as Minister of Planning and Development, Provincial Secretary, Attorney-General and, latterly, as Provincial Treasurer and discharged his duties ably. We will miss him, but our best wishes go with him to his new high office.

It is said that "where there is no vision, the people perish." Mr. Speaker, if there is one thing that has characterized the government led by the hon. Prime Minister (Mr. Frost), it may be summed up in that single word "vision." Here we have been given leadership inspired by a great vision in the service

of the people of Ontario. His many accomplishments, any one of which would make a government great, testify to his leadership.

To you, Mr. Speaker, may I say that it is a pleasure to see you once again presiding over this assembly. We all esteem the high office that you so ably fill, and we would also congratulate your new Deputy Speaker, the hon. member for Middlesex South (Mr. Allen) who is being reared in a good tradition. Your impartiality to all the hon. members of the House is appreciated.

Turning now to the business of the day, I would like to comment on a subject that we all recognize as one of great importance. This subject is education.

On an earlier occasion, I recommended to the House that one facet of education, deserving of our attention, is education for citizenship. Much can be done in our public schools along these lines. The more our children know about our system of government, the better opportunity they will have to become useful citizens. This is something we should not forget. The place our boys and girls should learn how our government is operated is in public school.

I hope the hon. Minister of Education (Mr. Dunlop) will assure us, some time during this session, that our youth are getting a firm grounding in the principles of our political system, and of the views of the political parties of which it consists.

During this session, legislation has been introduced for student loans. This is a great advance, and will give many students the opportunity of obtaining higher education which otherwise might have been denied them. We have been assured that the interest on these loans will be kept nominal.

In addition, Mr. Speaker, I would suggest to the hon. Minister of Education that the students should not be required to commence repayment until the second year following graduation.

While we are also discussing this particular subject, I think too it might be wise to forego any interest charge unless they become in default in their payments which, as I have suggested, might come due on their second year following graduation. That is a point

which I think some of the other hon. members have favoured too.

I wonder, Mr. Speaker, if the hon. members realize that thousands of students who could be classed as gifted or superior are not financially able, in some cases, to complete their high school courses. This is a great wastage. The community is being deprived of the maximum potential contribution of which these people are capable.

Now, I would like to make a suggestion to the hon. members of this House which would enable us to assist these young people and, at the same time, make a contribution to the community as a whole. My thought is not new. It was conceived and put into operation as long ago as 1832, right here in this old city.

I would suggest, Mr. Speaker, that we should seek out the young people who are gifted, or of superior intelligence, in grades 7 and 8, and enroll them in our private schools—where the cost of their education and other requirements could be met by The Department of Education of Ontario. I believe there would be many benefits to such a system. In the first place, it would help raise academic standards of our private schools. In addition, it would serve to develop better understanding by bringing together boys and girls from families in different income brackets.

It seems to me to be most important that we give every opportunity to the boys and girls upon whom God has bestowed more intelligence than the average. I would suggest, to the House, that we would thus enable them to make a contribution to the community which would be worth many times the small cost of providing them with the educational opportunities to which they have a right.

In many cases these are the very people who, later in life, will be seeking student loans, but I suggest to the House that, up until now, we have not been selecting them young enough for special education—which is what I believe we should do.

The cost would not be too high, in comparison to the advantages to be gained by such a programme, which would be incalculable. This, I think, is what Premier Ferguson had in mind when he was Minister of Education in 1927.

Mr. Ferguson said, as reported in the *Toronto Globe* in 1927:

Premier Ferguson continued that, by his scheme, sons and daughters of the poorer citizens of the rural areas should have at

least a part of the educational advantages which come to children of richer families.

The boy who needs education in this country, said the Premier, is not the wealthy man's son, but is the poor man's son who cannot bear the expense of going to a great centre and living there while he is acquiring his education and, as Minister of Education, I propose to take it to him.

I suggest to the House, Mr. Speaker, that it is this programme, enunciated by Premier Ferguson, which we are extending today.

Mr. Thomas Kidd is also reported in the *Toronto Globe*, in his address in reply to the speech from the Throne, in 1927, as follows:

We are endeavouring to develop a high type of citizenship so that we may rely less and less on law for the elevation of morals and more and more on character and knowledge. In this regard, our educational institutions have the opportunity to render supreme service to the state. I think they occupy the foremost place in the responsibilities of the government.

Mr. Speaker, education today is still our biggest problem, and it is by this avenue that the greatest contribution can be made to the youth of Ontario.

Another subject which has more than usual importance for me is the matter of housing. I referred briefly in the House last year to the new housing development project which is taking place in my riding, known as South Regent Park. Since the last session, 120 row houses have been constructed in which 450 people are now living. Before the end of 1958, it is anticipated that there will be a total of 255 row houses and 5 apartment houses of 96 apartments each, accommodating, in all, 731 families.

In addition to South Regent Park, and North Regent Park which I have mentioned previously, there is another low-rental housing development which I expect will be commenced in the spring. It was recently announced by Central Mortgage and Housing that they had approved a loan of over \$1.3 million for a low-rental project to be constructed in the area below Bloor Street, bounded by Sherbourne Street on the west and Parliament Street on the east.

Now, this is not exactly the type of low-rental housing that I had in the other section of the riding because this is a limited dividend proposition. Nevertheless, the rentals will be kept low, but it is not contributed to

by the 3 levels of government as are the other two projects.

Speaking of housing, this brings me to the next matter I wish to discuss today, which was touched on by the hon. member for Parkdale (Mr. W. J. Stewart) in his address to the House last Monday. I refer to the problem of juvenile delinquency. The hon. member will recall that the hon. member for Peel made reference in his speech to the fact that the family is the basic unit of our society. When homes are broken because families are unable to find proper accommodation, or for other reasons, such misfortunes contribute to the problem of juvenile delinquency. Of course, the broken home is not the entire problem, because children coming from fine homes are not immune to becoming delinquents—but in many cases, there is something lacking in their home life.

One of the basic causes of delinquency is the failure of the family through separation, divorce, unemployment or sickness. Another great root cause is lack of good youthful discipline.

I am not aware that delinquency has become the problem that the remarks of the hon. member for Parkdale would indicate. However, I have not the slightest doubt that it will increase, if our housing situation is not corrected by the building of more low-rental homes and apartments.

If children are not subject to proper discipline at home, it places an additional burden on the school teachers who, in some cases, are expected to discipline the children when the real responsibility lies with the family. If, however, pupils become unmanageable, the solution is to send them to one of our training schools, in the hope that by corrective measures they can be brought into line.

Last spring, I had the opportunity of visiting the Galt Training School for Girls with the hon. member for Waterloo South (Mr. Myers). I must say that, contrary to what certain hon. members have said in the House, I found that the school was in very capable hands and that the children are getting good supervision. My chief concern is whether or not they are being properly fitted to resume their place in our regular schools when they are permitted to return home. I have discussed this with the hon. Minister of Reform Institutions (Mr. Dymond), and he assures me they are getting psychological and religious training which he feels will help them to become properly rehabilitated.

It must be quite obvious to many hon. members of the House that we do not have a sufficient number of recreation centres in

our larger cities. This is an important step towards the elimination of juvenile delinquency. Youth should have good recreational facilities to use their leisure time to good advantage.

At this time, Mr. Speaker, I would like to make a request of the hon. Minister of Planning and Development (Mr. Nickle), about renaming Regent Park South. The hon. Minister will recall that we attended the opening of Regent Park South last spring, marking another milestone in housing development in this province.

However, I am not certain the hon. Minister realizes that eventually this project will necessitate the taking over of a very old street which is called St. David Street. Now, Mr. Speaker, this street has been in existence for many years, and it bears the name of the original ward from which the provincial riding takes its name. What I am requesting the hon. Minister to do is to commemorate the name of St. David, the patron saint of Wales, by calling this whole housing development south of Dundas—"St. David's Park."

This, Mr. Speaker, would avoid a great deal of confusion which has resulted in the similarity of names, and what is more important it would commemorate the name which has great historical significance to that part of the city. I hope the hon. Minister will give sincere consideration to my request, which I can assure him will be very popular with the residents of this old section of Toronto.

There exists in the world today a great deal of inequality, and I view it as part of government responsibility to temper this inequality wherever and whenever possible. One of the contributory causes of crime and juvenile delinquency today is poverty, and poverty, in turn, means bad housing. Until we seriously endeavour to eliminate these two basic factors, we will be unable to make any worthwhile progress in this connection.

There is nothing I know of that can contribute more to the well-being, both physically and mentally, of our youth than a provincial-wide physical fitness programme. Many of the hon. members will appreciate also that much can be done toward the improvement of relations between the various countries of the world through the medium of sport.

I would suggest, in all seriousness, that we should consider the formation of a department with a director and commission to be known as The Department of Youth and Recreation. If such a department were established, we would, of course, require camps

of the type that were built at Lake Couchiching in the early 1930's. This is a matter that I throw out for the consideration of the hon. members who are interested in the promotion of sport and health in the interest of youth of the province.

We look forward to the commencement of our hospital plan, which begins on January 1, 1959. The plan, which is based on sound actuarial principles, is this government's answer to socialized medicine. No plan, in my opinion, where the individual does not pay for the services he receives, can ultimately succeed.

This can be a very costly and expensive business unless skilfully handled. Our aim is to have a hospital insurance scheme that will work and be of benefit to all.

We recognize the need for enlarging our hospital accommodation. I have noticed recently that many hospitals are securing estimates for enlargements, and that already many hospitals are making plans for expansion.

One aspect worthy of our attention is the fact that we will require more convalescent and chronic patients' hospitals.

Our old-age homes should have 25 per cent. of all their beds set aside for an infirmary, with all the necessary facilities.

I recently had the opportunity of visiting the Ontario hospital for the mentally ill in St. Thomas. I was very impressed with the treatment and care the patients are receiving. Everything possible is being done to fit these people to be released and assume their place in society as soon as possible.

As we know, great strides are being made in the medical profession in the whole field for the prevention and treatment of mental illness. It is certainly one of the great features of our hospital plan that care of the mentally ill is to be included.

Here in Ontario, we are on the threshold of one of the greatest and most monumental experiments ever undertaken by any government for the welfare of its people in a free enterprise system.

There has been a great deal of attention focused recently in the press on the problem of humane slaughter. I recognize that this is largely a federal matter, but it is one which I wish to bring up at this time as it is a subject of interest to a great number of my constituents. A bill has now been introduced in the House of Commons, known as Bill No. 241, which will go a long way toward the better handling and treatment of animals in order to render them unconscious before

being slaughtered. I believe a similar bill has recently been introduced in the United States. I have discussed this matter with some of my colleagues who are in the House of Commons in Ottawa, and they assure me that the bill will become law.

I recall that, on other occasions, some hon. members have brought up the subject of the members' restaurant. At least, for my part, the restaurant facilities for the hon. members seem to me to be totally inadequate. Surely an adequate space could be found somewhere in the building where proper restaurant facilities could be provided, and catering facilities arranged. I think this is a matter that all the hon. members would welcome a solution to, as there must be a number who are not happy with the present arrangements.

Some of the hon. members, Mr. Speaker, were fortunate in being able to go on the members' tour last August through the northern sections of Ontario. This was a great eye-opener for members such as myself who had not had the opportunity of seeing the tremendous development that is taking place in the north. The trip was most enjoyable and instructive. A trip of this type should be conducted on an annual basis, as it gives the hon. members a chance to see something of this great province which they represent, and at the same time it affords the electors an opportunity to meet some of the hon. members of this House.

The hon. Minister of Lands and Forests (Mr. Mapledoram) and his staff are to be congratulated on his excellent arrangements. I have one suggestion to offer. When another trip is contemplated, could we consider chartering aircraft where possible — due to the time factor.

I know that I found it was a little bit too long to be away at that particular time, and I am sure other hon. members felt the same way. We enjoyed the trip and it was impossible to see as much in any shorter time, but if we could consider the chartering of an aircraft, it would speed the trip up a little bit and, in that way, we could see just as much and it would hurry it up so we could all return in the shortest possible time to our work.

Some of the hon. members found they had to return before the trip was over, although I am sure they would have enjoyed staying on and seeing the whole thing. We all recognize, Mr. Speaker, that an annual tour of this type has many advantages.

Recently I had an opportunity of passing through Woodstock and was attracted by the fine architecture of the buildings at the

Ontario hospital for the mentally ill. Not only is the architecture of the buildings attractive, but the grounds are well landscaped. Each floor I understand has a solarium, and it struck me as being something worthwhile and I think the credit goes to the hon. Minister of Health (Mr. Phillips) and to his department, for using a little imagination.

I am sure that the people who are there appreciate the fact that the surroundings are well landscaped, and that they have an opportunity to sit out on balconies there, which are provided on each floor, and to use the solariums which I understand are at the end of each floor.

Too many of our buildings look like institutions, and if we can get away from this, I think it will help to make these people feel they are in a home away from home, when they must be confined to such places.

I would now like to turn, Mr. Speaker, to a subject which, in the future, will receive a great deal of attention by governments. I believe that The Department of Welfare may have made some preliminary investigation in the subject of contributory pension plans. I refer to a basic contributory pension scheme on a provincial basis. There are various schemes in effect throughout the world, which we could well look into.

The type of plan I envisage would be a basic plan only, but would be contributed to by both employee and employer, until the employee reached 60 or 65 years of age, when he or she would retire. Whatever monies were put away during the employee's working years would belong to him. This would give him financial independence.

There are many benefits to such a programme, as I am suggesting, one of which is to relieve the Government of the heavy cost of the present pension scheme to which the benefactors do not contribute.

I have always considered old age pensions in recent years to be grossly inadequate. Mr. Speaker, I have mentioned this on other occasions but I just wish to say that the increase of \$15.00 a month in the old age pensions is greatly appreciated by the pensioners of my riding.

I have a great many elderly people living in homes in the southern section of the riding who were certainly very much interested in this thing, and it is something which I know they and we as hon. members of this House appreciate.

Mr. Speaker, I would like to say a word during the Throne debate about immigration.

We must seek to bring out to this country the best immigrants that it is possible to get, not only from the United Kingdom and the Scandinavian countries, but from northern Europe and elsewhere. Mr. Speaker, one thing we must not overlook is that we should make the immigrants coming to Canada feel at home so that they can make a real contribution to the future of this country, and be accepted as full-fledged Canadians.

With the coming of the St. Lawrence seaway, we are bound to see the development of seaport and shipping facilities throughout the Great Lakes. This will give us a tremendous opportunity to explore various export markets for our products. We should be alive to the new potential which the seaway will open to the interior, which is something we have been deprived of up until this time.

Mr. Speaker, I would like to refer to a matter of importance to the Queen City of Toronto—that is, the matter of a subway. I have suggested previously, and other hon. members have too, that some provincial assistance be given. While I do not favour the province giving any outright grant in the way of assistance for a subway, there would be considerable merit in assisting Metro to secure the necessary funds, possibly as a loan to be repaid from revenue.

Before closing, I would like to quote an excerpt from an address by the late hon. Howard Ferguson at Orillia in 1924.

We spend money on opening up our country, and in developing the material side of our national life. Is it not much more important that we should develop the human side? There is no work so transcendently important as that of moulding and building up our human life—the very foundation of our being. The stronger we make the individual, the greater and prouder will be our nationhood in the future . . . Making the underprivileged and handicapped youth of the province of Ontario into good citizens, I regard as the greatest problem before my government today.

I recognize, Mr. Speaker, that we are making rapid progress in solving the problems facing this Legislature, particularly in the fields needing our most serious consideration which include housing, health and education. It is a real honour, Mr. Speaker, to be a member of this assembly during the days when so much worthwhile legislation is being enacted for the advancement of our people.

Mr. J. P. Spence (Kent East): This is the third time that I have had the privilege of taking part in a Throne debate.

I first wish to congratulate you, Mr. Speaker, on the dignified and impartial way in which you carry out your duties as Speaker of this assembly. Secondly, I want to thank you for the pleasant manner with which you have always received me when I wished to discuss with you matters pertaining to your office.

Also, I wish to congratulate the hon. member for Middlesex South (Mr. Allen) on being elected Deputy Speaker. I know that he will carry out his duties in a fair and impartial way.

Also, I wish to congratulate the hon. mover and seconder of the address given in reply to the speech from the Throne. I was greatly interested when the hon. member for Peel (Mr. Kennedy) spoke of some of his experiences during his many years as hon. member of the Ontario Legislature.

After listening to the hon. members of the government give praise to the hon. Prime Minister and other hon. Ministers of the government, to which I have no objection whatsoever, I would be remiss if I did not take this opportunity to praise our hon. leader of the Opposition (Mr. Oliver) for the fine manner in which he carries out his duties.

He is one who has always given me every assistance since I became a member of this Legislature, one who I say contributes greatly to the debates of this House. I would say, after listening to him for 4 sessions, that he is one of the most able speakers in this legislative assembly.

We have another hon. member in our party, the hon. member for Brant (Mr. Nixon) who is the dean member of this Legislature. I know that if he would relate his experiences in the Legislature, we would have another very educational afternoon.

Also, I would like to commend all the other hon. members of our party for the part they have played in the debates of this session.

I would like to discuss the agricultural industry of Ontario. For the past 4 or 5 years, it has been a major area of depression in an otherwise booming economy. The farm income has been steadily declining. As a result, the farmers have been caught between the stationary or declining income and the rapidly rising cost of farm operation. Only a few decades ago Ontario was an agricultural province. Today, Ontario is the

most extensively industrialized province in Canada and future prospects are for even more industrialization. This shift in the basic nature of our provincial economy, and the extraordinary prosperity accompanying our rapid industrial expansion has tended to minimize the steadily worsening position of Ontario farmers in relation to other industries.

When agriculture was king in Ontario, the provincial government devoted much of its time and a sizeable segment of its money, to the farming community. In recent years as the problems of the farmers have increased and the plight of the agricultural industry has worsened, the provincial government has devoted less and less time and still less money, to working out solutions for the serious crises confronting farmers. I am convinced that the present government is not meeting its responsibility to the Ontario farmers.

I say the government will have to decide whether, in its judgment, farming is fundamental and should be saved. The government must recognize that the present difficulties of farmers can be solved only by direct and specified action. In the present farm crisis extraordinary means are required. I believe agriculture is a basic industry essential to the prosperity of Ontario and of Canada. The farmers are not asking for more than their fair share of general prosperity, and deserve nothing less than their fair share.

I believe there are some things this government can do to assist the farmers. For example, our farmers should not be expected to meet the full competition of competitive countries whose living standards are lower than ours. Their cost of production, because of climate and low wage scales and other reasons, is lower than that of the Ontario farmers. Our farmers, in order to overcome such competition, must sell their products below the cost of production. How do hon. members expect the farmers of Ontario to thrive under conditions such as these? Prices closely related to the cost of producing farm products in Ontario are essential, if the farmers are to establish and maintain their farms and equipment in first-class condition, and at the same time provide for themselves and their families a decent standard of living. Something must be done to eliminate these adverse conditions which face the Ontario farmer of today.

In the speech from the Throne, it says colleges will be expanded to facilitate more teaching and research work. I have always believed that industry has benefited from research. Why, then, would not the farmers receive more benefit from an extensive

programme of research in many phases of agriculture? Our agricultural colleges and our agricultural schools have done much to increase our production over the past number of years. Now, today, we are facing over-production in many fields of agriculture.

I suggest the government of Ontario should undertake a large programme of research for new uses of agricultural products. New products would increase trade and a greater prosperity for the country as a whole. I would also suggest a greater study of markets in Canada, in the Commonwealth, and throughout the world.

I say this because, during August of last year, while accompanying the hon. Minister of Lands and Forests (Mr. Mapledoram) on his tour of industries and mines in northern Ontario, I visited some of the local stores. In these stores I was greatly surprised to find potatoes, from the United States and Prince Edward Island on display, selling at 10 lbs. for 59 cents. At that same time potato growers from western Ontario were receiving 75 cents to 80 cents for a 75-pound bag of potatoes and were forced to cease harvesting, as that low price would not cover the cost of harvesting. I found no Ontario potatoes on display at all.

Our graders are government inspectors so therefore the grade must be satisfactory. I believe The Department of Agriculture could do a lot more to assist the farmer by way of marketing techniques. In southern Ontario, we have a surplus of a product while in other parts of Ontario they are bringing the same product from Prince Edward Island. I ask the hon. Minister of Agriculture (Mr. Goodfellow) why conditions such as these are allowed to exist?

I would say The Department of Agriculture in Ontario has a responsibility to deal with this problem before it is too late.

I have always believed that subsidies on first-quality agricultural products would help solve some of our agricultural product surpluses in the province of Ontario.

I heard time and time again that, if the Diefenbaker government was elected last June they would do great things for agriculture. Also, we have heard many times in this assembly what the Diefenbaker government was doing.

I would like, Mr. Speaker, to point out one of the things they did not do. They forgot the Ontario farmers when the bill advancing interest-free cash loans to western farmers, on stored grain, was passed.

Mr. Speaker, I am not objecting to cash loans to farmers on stored grain in western Canada, but I do say that the Diefenbaker government segregated the Ontario farmers from the western farmers and that I believe that interest-free cash advances on stored grain should also be made available to the Ontario farmers.

I know that on election day, March 31, the Ontario farmers are not going to vote for the Diefenbaker government.

Hon. government members have stated that half of the federal taxes are collected in the province of Ontario. If this is true, then Ontario farmers are paying half the interest on cash advances on stored grain in western Canada. I say that if cash advances on stored grain, interest free, were made available for farmers in Ontario, many farmers would benefit by it.

Mr. Speaker, I would like to deal for a few minutes with another way in which I believe this government can offer direct relief to farmers. This is in regard to county roads. At the present time, there are 9,384 miles of county roads in Ontario. The counties and The Department of Highways share the costs on a 50-50 basis and the department's share in the fiscal year ending March 31, 1957, was \$12,042,792.32.

During the past several years, The Department of Highways has not added a great deal to its 11,000 miles of primary and secondary roads either in new construction or in the taking over of existing county and township roads.

I would like to add my remarks to those of the hon. leader of the Opposition in suggesting to this government that it should determine upon a policy of incorporating a definite number and kind, of county roads into the provincial highway system each year.

In some counties, some \$600,000 a year is spent on county roads, of which half is obtained from the provincial government.

Mr. Speaker, I am sure we appreciate this 50 per cent. assistance by the department but I might remind the House that the provincial government collects 100 per cent. of all licence fees and gasoline and diesel taxes.

The 50 per cent, of road expenditures paid by the county is a charge, not on the motorist, but on the property owner. The motorist using county roads does not pay the whole cost of maintenance and construction. The property owner does. In many cases the motorist and the property owner are one and the same man.

However there is, in my opinion, a difference between the two for tax purposes that can be clarified only by transferring, to the motorist, the cost of providing him with satisfactory roads.

The principle of gas taxation is that the motorist who drives the most miles uses the most fuel and therefore pays the most money in taxes. This principle of taxation was enunciated at great length last session when the government announced its increase in the diesel fuel tax. It was contended that, because a vehicle got more mileage burning diesel fuel than if it burned gasoline, the driver should pay a higher tax per gallon of diesel fuel so that, in the long run he would be paying about the same tax per mile.

Now, the gasoline and fuel taxes are the measure used to equalize taxation between different classes of vehicles according to their use of the road. Why could not the same principle be applied to payment for use of county roads as well? That is, why could not maintenance and construction of county roads be cared for by the department through its gasoline and fuel taxes, instead of through property taxes?

One property owner may have several vehicles and use the roads a great deal, and pay the same property tax as another property owner who has none, or one vehicle, and seldom uses the road.

Mr. Speaker, the pattern of use of roads is changing in many ways. County roads are becoming less and less mere streets for the farmers living along them and simply access roads to producing farms.

County roads today, particularly in southern Ontario, are used by more and more motorists for a variety of reasons. Some county roads have become major links between existing provincial highways and carry a heavy load of passenger and commercial vehicles, travelling, not from farm to farm, but from city to city.

Heavier and heavier highway transports and commercial vehicles are using lightly-built county roads. These vehicles are presenting unexpected problems of maintenance and repair, particularly during the spring thaw and the "half-load" season.

The tourists also use our county roads in increasing volume in travelling to and from recreation areas. In some counties of Ontario, this tourist traffic, at peak vacation periods, greatly outnumbers local traffic.

In addition to tourists, the increasing mobility of all the people of Ontario is placing a

greater and greater burden on county roads, above and beyond the traffic of a purely local nature. However, the local property owner is still paying for 50 per cent. of the cost of maintaining these county roads in good condition.

I believe that the Department of Highways should note the changing pattern of service afforded by county roads, and since the provincial government receives all the fuel tax and licence fee revenue, it should assume a greater share of the cost of county roads generally.

The government could accomplish this in either of two ways:

1. The department, on a planned basis, could incorporate into the provincial highway network each year, that portion of the county road system which serves as a major connecting link between existing highways, and those which are the most heavily travelled arteries of our tourist trade.

2. An increase in the provincial share of maintenance grants.

Incorporation of segments of the county road system, into the provincial highway network, would benefit some areas more than others. However, the increase in the provincial grant would bring a uniform and widespread benefit to farmers and rural taxpayers all over Ontario by bringing about immediate reduction in their property tax.

If the government thinks that these proposals and suggestions are impractical, I would like to refer briefly to the experience of North Carolina in the same matter.

In that southern state live 4 million people. More than two-thirds of them live rural or semi-rural lives. They are spread over an area of more than 50,000 square miles. The greatest depth of the state is 503 miles from the Atlantic Ocean to the Great Smoky Mountains.

Road builders in North Carolina are faced with a wide variety of geographical conditions, ranging from a knife-edged mountain range to spongy tidal swamps. Roads rise from sea level to more than 3,000 feet above sea level.

Now southern Ontario can, with some justice, be compared in a broad way with North Carolina for the purposes of illustrating my remarks.

Southern Ontario is roughly 400 miles wide from Windsor to the Quebec border, and some 250 miles from Toronto to North Bay. Its area is probably about 70,000 square miles. Of Ontario's 6 million population, some 5 million will be living in southern Ontario.

Now, in North Carolina, in the 6 years from 1949 to 1955, the state paved 15,000 miles of county roads. This tremendous programme of construction was in addition to the state's 6,218-mile system of major highways, so that in 1955 the state, with an area of 50,000 square miles, had more than 21,000 miles of paved roads outside its urban municipalities.

Now 95 per cent. of the population in the state of North Carolina lives within one mile of a paved road.

Governor Luther Hodges in 1955 said:

Our paved rural network has unquestionably made for the better life on our farms and our small communities. Everywhere along the road system I see schools, churches, and industries springing up.

The state of North Carolina has assumed exclusive responsibility for building, improving and maintaining every foot of rural road within its boundaries.

The cost of this scheme was accomplished without a property tax. All monies come from motor vehicle registrations, gasoline taxes, and like all other states, federal aid. The important point is that:

The roads are paid for by those who use them.

The cost of the scheme was \$350 million.

The results of this programme are spectacular. New school construction has tripled since the roads were completed, and the largest consolidated rural school system in the world was made possible.

Farm income in North Carolina has steadily increased faster than the national average. Farmers now count their savings in the annual market hauling time in days, instead of hours.

Dozens of new industries have located in the state, and most of them did not locate in the cities. Instead, they chose sites along state and secondary highways. They still had abundant labour because farmers could speed to and from factory jobs and still enjoy rural life.

In this way, farmers were able to increase their incomes, and there were noticeable signs of general improvement in living standards.

Of equal importance are the social, cultural, recreational and human advantages that the road programme has produced. It has meant daily newspapers, daily mail, quick and easy access to the many advantages of city selling, shopping and social life.

Mr. Speaker, these are some of the advantages, and real advantages they are too, that an imaginative and determined rural road programme would effect.

I wish to point out, particularly, the location of industry along good roads outside cities, and the prosperity that this decentralization brings with it to its own area.

We are all concerned with the spectacular mushroom growth of our urban centres, and the rapidly rising costs of public services which urbanization entails. Many of us are very much concerned with the declining proportion of our population living in rural areas. There is, at the present time, a continuing flight from the land. From 1945 to 1955 the proportion of the Canadian population living on farms declined from 25 per cent. to 15 per cent., and the Gordon commission predicts that, by 1980, there will be only 7 per cent. of Canadians living in rural areas.

It is an open question whether or not this enormous concentration of populations is desirable. Decentralization of population and industry has been, and is being, argued for a variety of reasons.

Civil defence authorities urge decentralization to reduce the number of major targets in case of atomic war, and to create a rural and semi-rural support area for the dispersal of population from urban areas, should there be an attack.

Decentralization of industry would mean that assessment would be more equalized throughout the province. It is better to have a province in which all regions and areas enjoy an adequate and decent level of prosperity, than it is to have one or two vast metropolitan centres of great wealth and great problems and, by comparison, a semi-depressed area.

Now, Mr. Speaker, I feel that one of the ways of lifting the state of depression, which has afflicted agriculture for the past several years, is to decentralize industry to some extent, tap the reservoir of smaller city and rural labour at its source, rather than driving people from farms and smaller cities, and crowding them into larger and larger cities. This would raise the per capita income of farmers, and restore a measure of prosperity to the agricultural areas.

It is not in accordance with our system and tradition of government for the government to accomplish the decentralization of population or industry by statute.

Industry is free to locate where it will, and should remain free to do so. However, good transportation is one of the great levelling factors, and I believe that a great programme of rural road construction would assist in effecting decentralization and increasing the prosperity of rural areas.

I have given an example of what can be done, and I recommend to the government

that it study this example in greater detail. Such a study, to be followed by action and accomplishment, would produce, I am sure, vast benefits for all the people of Ontario.

Now, I might say last year I dwelt for some time on rural education. Since I prepared this speech, there has been a change in the grants, but I attended the education committee the other morning and I am still at a loss to know where they are going to help and where they are not. So, I might say that I am going on with the remarks I gathered, and I will say, Mr. Speaker, that I have the highest regard for the hon. Minister of Education (Mr. Dunlop).

The Royal commission on education, in its report of Dec. 2, 1949, on page 12, stated:

If, in any year, the scarcity of trained teachers develop, it will for the most part be the children in rural areas whose education will be jeopardized. We view such possibility with concern, and sincerely hope that emergency plans, sufficient in scope, will be introduced to ensure an adequate education for all children in our elementary schools.

This, Mr. Speaker, is a clear cut warning of the Royal Commission, to the government, about the specific injustice to rural education that would occur if the government did not take action.

I submit, Mr. Speaker, that this government has not acted on this warning, and that the education of children in rural areas in Ontario has been, and is being, jeopardized by the government's inadequate measures to cope with the problem facing rural students.

For example, I want to refer specifically to the complete failure of the government's grant system, to bring justice and equity to rural education, and to point out that the basis of awarding grants is completely unrealistic, because it has failed to even halt the deterioration of rural education.

To illustrate my thoughts, I will refer to the department's own statistics. The figures I will quote will be from the Minister's report for the year 1955-1956, the last report unfortunately that was available at the time of preparation of these remarks.

I might say that I have the hon. Minister's 1955 report here, page 76, table 32. It gives the number of male and female teachers in the cities, towns, villages, rural, suburban Toronto and Metro Toronto and the salaries that they received.

Total number of teachers in the province was 22,018. Average salary for elementary school teachers \$3,130. There were 1,564 male teachers and 6,585 female teachers in rural elementary schools. In other words, 33 per cent. of the total number of teachers were teaching in our rural areas.

1955 REPORT p. 76 Table 32

Education:

Public schools salaries: (including principals)

	<i>Cities</i>		<i>Towns</i>		<i>Villages</i>		<i>Rural</i>		<i>Suburban Toronto</i>		<i>Metro Toronto</i>	
	M	F	M	F	M	F	M	F	M	F	M	F
Total Teachers	1,866	5,196	680	2,233	228	702	1,569	6,585	799	1,847	1,477	3,609
Median	4,760	3,900	3,600	3,050	3,270	2,700	2,860	2,600	4,260	3,690	4,990	3,980

Overall total

	M	F	
Totals: Teachers	5,214	16,804	22,018
Median	3,690	3,010	3,130

	M	F	
Rural teachers total	1,564	6,585	or 33 per cent. of the total number of teachers in the elementary schools.

The number of female teachers in rural schools was 6,585 of 16,804 or 39 per cent. of all female teachers in Ontario.

Their average salary was \$2,600 per year.

According to these figures, the department's own, a male teacher in a rural area receives \$1,900 per year, on the average, less than the male teachers in cities, \$740 per year less than teachers in towns and \$410 less than teachers in villages.

Female teachers in rural areas receive \$1,300 less than female teachers in cities, \$1,000 a year less than teachers in towns, and \$100 a year less than teachers in villages.

Mr. Speaker, I would like, at this point, to emphasize these figures.

According to the department's standard of teacher training there is no distinction between the academic qualifications of male or female trainees, and no difference in the courses they must take and the standards they must meet.

Why then is there a difference in the rates of pay of male and female teachers? I feel that since they are required to meet the same standard of academic achievement, the same standard of training, and to do the same job in the schools, for the most part they are entitled to the same rate of pay. I can see no reason why female teachers at all levels of the school system should be paid considerably less than male teachers.

The continuing practice of this discrimination is entirely out of keeping with the practices in all other professions. I know of no reason that will justify it.

I know that school boards use the excuse that, because of lack of funds, they cannot pay the same rates. But this is merely an excuse and not a reason.

Let us look at the figures again, a little more closely. There were 1,866 male teachers in cities (exclusive of Toronto) and 1,569 male teachers in rural areas, or about the same number. Of the male city teachers, 830 (or almost 50 per cent.) receive \$5,000 a year or more while there were only 77 rural male teachers (or 5 per cent.) receiving \$5,000 per year, or more.

In the city schools, 327 (or 16 per cent.) were receiving \$6,000 a year or more, while in rural areas only 19 (or 1.2 per cent.) were being paid \$6,000 a year or more.

Metropolitan Toronto schools had a total of 1,477 male teachers whose average salaries were \$4,790, or \$1,930 more than the average salaries of male teachers in rural schools.

Of this group of 1,477 teachers, 321 (or almost 22 per cent.) were paid \$6,000 per year or more.

Among the 5,196 female teachers in city schools exclusive of Metropolitan Toronto, 1,476 received \$5,000 per year or more, while of the 6,585 female teachers in rural schools, only 21 received \$5,000 per year or more. Of the 3,609 female teachers in elementary schools in Metro Toronto, 905 were receiving \$5,000 per year or more.

Mr. Speaker, of the 8,805 female teachers in Metro Toronto and other city schools, 2,381, or almost 30 per cent. were receiving \$5,000 per year while of the 6,585 female teachers in rural schools, only 21 or 3 per cent. were receiving \$5,000 per year or more.

I think the answer is obvious. At a time when Ontario is facing a crisis in the number of qualified teachers, the enormous difference in the salary schedule for teachers in city schools, compared with teachers in rural schools, will react to the detriment to rural education. The better teachers will be lured to the centres paying the most money. Rural schools will get what is left.

The very condition which the Royal commission, in 1949 viewed with alarm, is with us in full force.

The hon. Prime Minister and this government are fond of telling us of the wonders they are doing for rural education. But the government never tells us that the standards of rural education are being destroyed under their regime.

How long can this system continue with its present unfairness, its present inequalities, and its present injustice before this government recognizes the peril and assumes its responsibility to change it?

We hear constantly about the government's scheme of grants, paying some rural areas as much as 92 per cent. of its approved education costs.

I submit, Mr. Speaker, on the evidence presented by the hon. Minister's own report, that the present system of paying grants to rural areas is unsatisfactory and completely inadequate to meet the problem. As long as rural teachers are paid \$2,000 per year less than teachers in cities no system of government grant that permits this situation to continue is fair, equitable or just.

Mr. Speaker, a teacher in a rural school generally has a much more difficult job than a teacher in a city school. The teacher in a rural school is generally alone and unable to

call readily upon the advice of a principal, superintendent, or other teacher.

The teacher in a rural school has to teach 35 or 40 students, ranging in age from 6 to 16 years, and taking courses in 8 different grades. She has to be trained to provide instruction and examinations for 8 different grades and requires, therefore, an extensive academic background. This, I submit, is a much more difficult task than that facing most city teachers who teach 30 to 35 pupils in one grade, roughly of the same age. The city teacher has the support of a principal and other teachers.

I feel, Mr. Speaker, that teaching in a rural school requires that a teacher have a more extensive academic background, a more mature personality, and a more extensive period of training at teachers' college than is required for teaching in an urban school.

Rather than being the poorest paid segment of the teaching profession, teachers in rural schools should be the best paid, and I submit that if the government was alert to the realities of the situation, and to its responsibilities, it would work out its grant system in such a way that the teachers in rural schools would be at least as well paid as urban teachers, if not better paid.

The government has a prime responsibility to provide equality of educational opportunity to all students in Ontario. It is not meeting this responsibility, to the students of rural schools, and its grant programme is not providing equity or justice.

Teachers in rural schools, because of the greater difficulty of their jobs, should be paid a bonus by the government, or the government should establish a system of financial incentives that will attract the best qualified teachers into the rural schools.

The government's programme to date has been entirely unsatisfactory, and the discrepancies I have pointed out today are the measure of the government's failures in the field of rural education.

Mr. R. J. Boyer (Muskoka): Mr. Speaker, now that the Deputy Speaker is in the chair, may I congratulate him upon being elected to that position and upon the very impartial way that he carried out his duties.

I would also like to refer to our Speaker, and to congratulate him upon the manner in which he presides in the House and also, very particularly, to thank him for the many kindnesses which he shows to the individual hon. members of this Legislature in these particular weeks, and at all times of the year. The

Speaker's assistance and guidance in various matters has been very much valued by myself during the few years that I have been in the House.

At the beginning of the session the hon. member for Peel (Mr. Kennedy) spoke to the House in moving the reply to the speech from the Throne. It was that kind of address which we expect from the hon. member for Peel, kindly and good humoured, and telling of the love he has for his native land.

Then the eloquent hon. seconder of the motion, the hon. member for Glengarry (Mr. Guindon) represented the 4 newest hon. members of the House, all supporters of the Frost government, and all of whom are making many friends among their fellow hon. members and among the officials of the various departments.

Others have referred to two former members who have died during the past year, Mr. Thomas and Mr. Pryde, and they are sincerely missed. May I also refer to the passing of two friends, Deputy Minister Douglas Crowe, of The Department of Travel and Publicity, and Colonel Young, the Prime Minister's executive assistant. Both had given splendid service to their departments.

It has been very pleasant in this debate to hear hon. members of the Liberal party pay tribute to their distinguished hon. leader (Mr. Oliver) and it is very evident that they have an admiration for him within their party which I, and I am sure, many other hon. members outside their party have for the hon. leader of the Opposition.

I might say that I have known him, at least by sight, for many years for, as a weekly newspaper man in the days before I got into politics more actively, it was my practice to attend the Liberal conventions, and the Conservative conventions as well, and once in a while the C.C.F. conventions if I could not arrange for someone else to go in my place.

It was always something of a pleasure to hear the hon. leader of the Opposition when he came into our part of the province to speak because he is, as we all know, an admirable speaker. I can hardly sympathize with him, of course, in the rather limited scope of success that he had in our part of the province. Perhaps, it was not entirely his own fault, but I will not even wish him success in the future.

I will say this. Many years ago, it was my privilege to meet the hon. leader of the Opposition on a hot summer day in my home town of Bracebridge in Muskoka, when he

had just become a Minister of the Crown of this province. He was going on a tour through the province, visiting various buildings, and it so happened that our newspaper office is in the same street as some of the provincial buildings in the district capital of Muskoka.

Seeing the newspaper office there, he asked one of the officials if he might meet the editor. I was sent for, but I was working hard at the time and it took me a little while to wash the printer's ink off my hands and perhaps arms and maybe face. But it was a pleasure to go and meet him in the street in front of one of these buildings and talk to him a short time.

I am taking some time about this, but I want to say that there was a matter, at that time, of very particular interest to us in Bracebridge concerning the provincial government policy and I made bold to ask him about this. I would say though, Mr. Speaker, that it was as hard to get anything out of him about that particular policy as it is today to find out what his intentions are concerning a certain date in the month of April.

If I may make a prediction however, for what it is worth, I would like to suggest this; that the present hon. leader of the Opposition will be succeeded by himself as the leader of the Liberal party at that time.

In making this small contribution to the present debate, I would like to acknowledge the loyal and helpful contribution made to the administration of public affairs in this province by the civil servants, both at headquarters here in the capital city of Toronto and throughout the province. Regularly a member of this House, particularly one from the rural areas, must take a matter which concerns a constituent to some civil servant. No matter how small a matter it may appear to the official concerned, it always is given attention.

In this connection, I was much interested in an editorial which appeared in an Ontario town weekly, *The Advance-Times*, published at Wingham, the home town of the hon. member for Huron-Bruce (Mr. Hanna). The editor is Mr. Barry Wenger, who has just been elected president of the Ontario division of the Canadian Weekly Newspapers Association.

Last summer, like a gentleman from Muskoka District, Reeve Jack Johnston, of Monck Township, Mr. Wenger had served on an advisory committee of The Department of Public Welfare. I can hardly do better than to quote Mr. Wenger's comments.

The editorial began by referring to the change in mothers' allowances, and stated that the new plan was one which would be of benefit to the families concerned, giving a realistic approach to the matter of family costs, which can and do vary from one part of the province to another. It then continued:

Your editor has spent one day of each week all summer working, along with other members of the provincial committee on children's boarding homes, on a specific set of problems handed over to that body by The Department of Public Welfare.

When we approached the task last June, we were tinctured with the common feeling that most government welfare employees are a hard-hearted lot, bent chiefly on saving money for the department which employs them. To our very sincere pleasure we have found that such an attitude can spring only from ignorance. Without exception we found that the people who administer the various public welfare Acts, from the Minister (Mr. Cecile) down, are concerned with one thought only—how best to serve the unfortunate citizens of the province and the children for whom they are responsible.

Yes, that is a big statement, but apparently the day of the tough and bloodless relief administrator, who sticks in our mind from depression days, is over. From the things we have seen in the Parliament Buildings in Toronto, we now realize that the surest way to lose a job with The Department of Public Welfare would be to demonstrate lack of sympathy for those who apply to that department for guidance or assistance.

Perhaps no other aspect of man's development over the passing years is more apparent than his real concern for those less fortunate than himself. If there is any redeeming feature for an age which has produced a Hitler and a Stalin, this new sense of public responsibility must be that saving grace. We note with deep satisfaction that this growth of human compassion has been most active in the 15 years immediately behind us.

This quotation referred particularly to The Department of Public Welfare. I am sure that all hon. members of the House would concur with what was said, and we would think of the hon. Minister of that department and the very able Deputy Minister, Mr. Jim Band.

What has been said about the offices of this department will apply, I think all will agree,

to the civil servants of all the other departments.

Again this year, the Legislature meets here to conduct the annual business of the province, and to endeavour to advance the well-being of Ontario citizens. It is evident from the remarks of the hon. leader of the Opposition and some of the other hon. speakers that the federal election campaign of the present time is distracting them constantly. They have their minds upon the political welfare of their friends in the Dominion field.

On 3 occasions, in the earlier years of our history, the Legislature adjourned during federal election campaigns. In 1887 the Ontario House met, heard the speech from the Throne, and then adjourned until after the Dominion election day. This was the course followed in 1891, as well. In each case the Conservative leader of the Opposition, Mr. Meredith, objected to this course and said the Legislature should carry on with the province's business. In each case, when the Legislature reconvened, however, Mr. Meredith was able to express his satisfaction that the Liberal administrators had failed in their electioneering attempts.

In one of those years, some of the members from eastern Ontario were detained on their trip to Toronto by reason of heavy snowstorms. One of them, Mr. Evantwel, was to second the reply to the Throne speech, and Mr. Meredith said he supposed this member had been busy trying to collect the dead and wounded in his section of the province.

In 1874, the Ontario House finished the Throne speech debate and some other business before recessing for the federal vote. In 1940, when the election called by Mr. Mackenzie King was held March 28, the session of this House was over, having lasted from January 11 to February 26.

These are the precedents, and I think the people of the province will applaud the different decision of our hon. Prime Minister that we should carry out our duties to the people of Ontario by meeting here and diligently acting upon the business brought before us, during this particular time.

There are a few matters on which I wish to speak, but first may I express appreciation to the Speaker and the hon. Minister of Public Works (Mr. Nickle) for the new chairs provided for the hon. members' desks in this House. They replace chairs which may indeed have been 100 years old.

The photographs of the first Legislature of Ontario after Confederation, in the old Parliament Buildings on Front Street, show chairs of at least the same design, and the desks,

too, are the same. The records of 1892 and other years in that period suggest that the desks and chairs were indeed brought here from the former building, and I have heard it said that the same applies to the clock on the north wall. It can hardly be said that the province has been put to great expense over the years for replacements. The other day the hon. member for Woodbine (Mr. Fishleigh) suggested a new kind of drapery for the windows; I think it is of interest to note that the various window drapes, and the ones in the gallery openings, were placed there soon after this building was opened because of the acoustical difficulties encountered in this chamber, which is 4 times the size of the old one.

Now that we have the efficient public address system to which the hon. member also referred, this necessity would seem to have disappeared.

I wish to speak of the tourist business for just a moment. Recent reports by The Department of Economics show that Muskoka district has the greatest amount of accommodation in tourist resort establishment of any county or district in the province of Ontario, and indeed our entire economy is based upon the tourist business.

In these days, we see a continuing growth of population in this province, and other jurisdictions on the continent. There will be a continuing growth of travel business, but we must remember that this business is highly competitive. Even now, Canadians are spending more in the United States for holidays than Americans coming here, and as in other matters of trade we should be anxious to do all we can to reverse such a situation.

The Department of Travel and Publicity is to be commended for their programme of the past year. I am sure hon. members approved of the Ontario supplement published by the *New York Times*—which provided comprehensive data and descriptions of our great province.

At the same time, I speak for the people of my area in urging upon the government an even greater publicity programme inviting those from afar to visit this beautiful province for holidays. I am glad this can be made possible with this year's substantial increase in estimates.

In the future, the tourist establishment business will grow to a tremendous degree, and we should all be concerned that visitors to Ontario should be able to enjoy modern accommodation of good standard.

Resort owners in large number need financial assistance greater than they can get today to improve their properties. They do not ask for gifts but for a better rating than they have. There is no question of seeking capital to begin new resorts. It has been stated that this is an industry that runs for only a few months and therefore is not stable enough for improvement loans. I can hardly agree with this viewpoint, because the operators have put many thousands of dollars into their establishments.

This matter is very well known to hon. members of this House, especially in the northern part of the province. We have heard about it different times this particular week and I bring it again to the attention of the hon. Minister (Mr. Cathcart) in the hope that some plan may be worked out whereby those engaged in what is an important industry in this province will be given a better status to enable them to borrow as they may need to do to improve accommodation.

Mr. Speaker, the significance of tourism in the economy of this province simply cannot be stressed too highly. The other day I said that the travel industry ranked fifth among the 5 basic economies of Ontario. The gross value of production in manufacturing and industry is now \$10.7 billion; agriculture over \$1 billion; minerals now up to a record \$739 million; forest products \$625 million, and travel is now said to be \$300 million.

Yet take tourism out of the picture entirely, and all other industries and all parts of Ontario would suffer, especially agriculture. We have the opinion of Professor L. Dudley Stamp, of London University, recently quoted by *The Winnipeg Tribune*.

Tourism is the most important industry today without any exception whatever. It employs more people and has a larger turnover of money than any other.

Now we have proposed improved credit standing for established tourist resort establishments, either through a guaranteed loan or a revolving fund. Such a fund can be compared to the home improvement loans, but would be for the purpose of improving accommodation for visitors to our province.

The position is that we have excellent publicity for travel in and through Ontario by the department concerned under its able hon. Minister. We have a fine inspection service and the inspectors are all more like

promoters for the tourist industry. What we should make certain is that the plant—the accommodation available—is of the best possible. Great camps demand this.

I want to pay high tribute, however, to those resorts which have done their best to make their establishments increasingly comfortable and attractive—and they are many indeed.

On the subject of a revolving fund, I notice that the 3 Toronto dailies have commented favourably on the establishment improvement loan proposal, and no doubt in time we will have similar approval from other Ontario newspapers.

I would like to refer to the establishment of a new provincial institution of interest to the district of Muskoka and to the province generally. On October 21, I was honoured to be one of those taking part in the opening ceremonies for the first course for municipal fire fighters held at the new Ontario fire college at Gravenhurst. The Hon. Attorney-General (Mr. Roberts) referred to this new provincial institution when he spoke earlier this week.

The Ontario fire marshal and his staff conducted this initial course at the new college property, and the newly-renovated lecture hall and the grounds were used for a week's study as to methods for combatting atomic fires—the first such course given in Canada. The necessity for this kind of study is an illustration of the problems which the atomic age has brought upon us.

Other buildings on the college property are being remodelled so that courses can be resumed this spring, and it is planned to have the official opening of the whole institution at a time which will coincide with the meeting in Ontario of the Canadian Fire Marshals' Association.

The decision of the government to establish the fire college at its Muskoka location was taken on August 14. It is significant that this is the first fire college in Canada. It has been operating in Toronto on a limited basis, giving courses from time to time to municipal firemen, until the time when the college could be set up on a more permanent basis, with adequate buildings, and grounds for field instruction. It was previously necessary for those who were to have a high standard of efficiency in fire-fighting to go to schools in the United States, principally at Norfolk, Virginia.

Those who will be attending the college, from the nearly 500 municipal fire departments in Ontario, will have the advantage of an attractive site, with commodious buildings for their accommodation and for instruction

classes, with ample grounds for training purposes, and with a shoreline on beautiful Muskoka Bay on Lake Muskoka for recreation. The Gravenhurst location is central in the province, and well served by transportation routes. The site is a property formerly owned by the National Sanitarium Association. The buildings were formerly used for accommodation of the hospital staff, and include a 3-storey dormitory building, a recreation hall which now will be used for lectures, and residences. These buildings and other facilities on a 120-acre property are ideal for the purpose.

In making the announcement about the fire college last August, the hon. Prime Minister said it would be the latest step in tying together all the fire-fighting techniques in Ontario. In this respect, this province has made important advances in recent years in the modernization of municipal fire-fighting services. Standardization of hose threads throughout all of the province was one of the big undertakings in this respect. More recently we have had the development of mutual fire aid, based on county and district areas.

With reference to the fire college, I should mention very particularly the interest which the hon. Attorney-General is taking in this project. He has been a visitor at the property and is well acquainted with the advantages of the location, and is keenly interested in the programme to be carried out there.

Also the Ontario fire marshal, Mr. William J. Scott, Q.C., a member of the Attorney-General's Department, has been giving devoted leadership in all of the programmes benefitting the cause of fire protection in the province.

The advanced training to be given at the fire college during each spring, summer and fall has similarly brought forth his enthusiastic attention to the tasks involved in arranging for these courses at the fire college. Mr. Ernest Barrett is the director of the college and has with him a competent administration and instruction staff.

In this matter, Ontario again takes leadership in Canada, and this college will prove its importance in providing a greater degree of efficiency in fighting that great enemy of life and property, fire.

There are matters of which I would like to speak which concern other forms of safety. The speech from the Throne refers to major steps which have been initiated to improve Ontario's traffic situation, these being the responsibility of The Department of Transport and The Department of the Attorney-General. The efforts which have been made in the past

few years, for the protection of people and property on roads and highways, deserve commendation, and later in the session there will be opportunity to learn more of the programme planned.

Safety in the out-of-doors is yet another important matter. It seems that each year, in hunting season, there are individuals or groups who become lost and who go through experiences, in some cases, which are harrowing.

Then again, the hearts of people in all parts of the province were touched by the tragic deaths of two Toronto teen-agers, Robert Petersen and James Duffy, which occurred in bush country in Muskoka in the icy and driving wind of a February week-end. What happened to cause the untimely deaths of the two boys will be established in due course by a coroner's jury.

In the light of published reports, a suggestion has been made here, however, that a booklet be prepared by one of our government departments, dealing with precautions to be taken for survival in case of becoming lost in unsettled areas during extreme weather conditions. The Department of Lands and Forests issues rules or suggestions for such a purpose with respect to hunters. The proposition is that such a booklet be distributed among youth groups.

No doubt there is a lack in many organizations of this kind of information, but it should be mentioned that such information already is available and is acted upon by the Boy Scout and Girl Guide movements. Other bodies issue books or give training for those of older years who are engaged in activity where such knowledge might, on occasion, be required, and we think of airmen in that connection.

Far from the recent tragedy having the effect of discouraging young people from going into the bush and learning the ways of outdoor life, there should be more such out-of-doors training. Skill of this kind of bushcraft can be valuable at any time. Civil defence authorities tell us of the importance for the public in general, and particularly those in urban communities, to learn and understand sufficiently to be able to act upon the rules for survival under all conditions.

Another question of importance to the district I have the honour to represent, and to several other parts of Ontario, is the matter of water safety, especially with respect to operation of motor craft.

The great increase in the numbers of pleasure boats over recent years on our lakes

and streams has brought conditions which have caused many to question whether something more should be done to give greater safety for those using the waters—not only for the benefit of boat operators but also swimmers.

Is it advisable to lay down new rules and regulations? Would a system of licencing boat operators in the same manner as motor vehicle drivers are licenced improve the situation? Answers to questions like these take a variety of forms and there are real differences of opinion.

The legislation in this matter is federal, and the regulations of The Canada Shipping Act appear to be sufficient to deal with most of the dangerous practices which may appear. These regulations require, for instance, that all kinds of craft carry lights when operated at night. Legislation also exists for the protection of smaller boats from the waves created by speeding motor boats, as if simple courtesy and thoughtfulness were not sufficient in this respect.

Perhaps recent developments may call for certain changes. It should be made clear that two persons should be in a boat towing a water skier, for instance, one to watch the skier the other to drive and watch the water ahead, and perhaps there is a lack in legislation in that respect.

If the legislation is ample, or nearly so, there are difficulties in the matter of enforcement. Up until the summer of 1956, the only police who could act upon this federal legislation were the Royal Canadian Mounted Police. If a provincial officer or a municipal constable wished to lay a charge, he had to arrange with a Royal Canadian Mounted Police officer, who often was at some distance away, to take the information, and enter the charge.

On one of his visits to Muskoka, I was able to point this out to the hon. Attorney-General, and I am glad to say that he took action in this matter, made representations to Ottawa, and as a result was able to obtain a ruling which made it possible for the provincial and any municipal police to lay information under the Canada Shipping Act regulations governing operation of small craft.

Even so, it is not possible for all of the police officers concerned to try to regulate boat traffic, for in Muskoka district alone there are said to be 30,000 power boats, and in the Ontario Provincial Police Barrie district which includes Muskoka there is an estimated total of 70,000.

In this area there are few mounted police officers; there are none located in Muskoka, and where charges are laid for dangerous operation of a motor boat, the work of investigation generally has fallen upon provincial officers, the expenses are met by the province but the fine if any goes to the federal treasury.

I believe it is to the credit of the province that the need for some form of protection in the enforcement of federal regulations has been seen, and some attempt is being made to meet the situation.

Just as the number of accidents on the highways is the result of increasing vehicle traffic, so the number of accidents on the water is the result of the increase in boating. Just as enforcement of traffic rules on the highways by adequate police protection has its effect in reducing accidents, so the question of water safety calls for greater enforcement of the regulations.

There are several Ontario Provincial Police Patrol boats on inland waterways. While I believe their original purpose was not particularly for the purpose of enforcing the federal small boats legislation, it should be evident that they are doing so to some extent, and they serve a good purpose by doing so.

At the same time, the large summer population in the resort areas makes it impossible for the Ontario provincial police officers available to maintain a steady patrol. The summer season brings many additional duties to the police officers in these areas, and the water patrol cannot always be carried out.

I do not know how the matter might be separated out from The British North America Act's division of federal and provincial responsibilities, but in this matter it would be better if the province had full control of the situation. The Canada Shipping Act regulations must cover boating in all parts of Canada, from the ocean coastal areas to inland streams and rivers. A province knows its own problems and can legislate more particularly to meet local conditions. As it is, the province is called upon to provide police to carry out what enforcement there is and yet any revenue from fines escapes us.

There is this further question. Would it be desirable to licence boat operators? I have not much enthusiasm—in fact, I have no enthusiasm—for this proposition, but I can see that the main advantage in giving a permit to a driver would be the test which he or she would be obliged to take, which

would give an opportunity for instruction in the *Rules of the Road for Boats*.

One of the largest organizations of summer residents in Muskoka is the Muskoka Lakes Association, with a history of service going back over 60 years. The question of licencing boat operators was debated at their annual meeting last August, but the members did not take a definite stand, and instead, decided to investigate the possibilities of boat driving schools being set up under proper authority.

I would suggest that those who have been involved in accidents in recent seasons generally have been the kind of persons to whom licences or driving permits would have been given, for they would likely have passed the tests which would be required. The test, it is true, might have had a salutary effect in impressing many drivers with the need for safe driving, but on the other hand I believe it can be questioned whether licencing, a costly system to set up and enforce, would very substantially reduce boat accidents. It is not accidents alone that cause concern, but the irresponsible manner in which some boats are operated.

To sum up, I believe the situation calls for greater education of those who will be using boats as to water safety rules, which are included in the booklet *Rules of the Road for Boats*, issued by The Canada

Department of Transport — together with a greater degree of law enforcement on the waters.

Mr. J. Root (Wellington-Dufferin): Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before moving the adjournment of the House, I would say that when we resume on Monday, there will be bills and items from the order, and I take it, the resumption of the debate with the possibility that there will be at least one department estimates made available.

Mr. F. R. Oliver (Leader of the Opposition): Has the hon. Attorney-General any idea what department it will be?

Hon. Mr. Roberts: I will try and get that information for the hon. leader of the Opposition in a few moments and give it to him in his office.

Hon. Mr. Roberts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 4.05 of the clock p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Monday, March 10, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, MARCH 10, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker informed the House that the clerk had received from the commissioners of estate bills their report in the following case:

Bill No. 3, An Act respecting St. Peter's Church, Brockville.

THE SUPREME COURT OF ONTARIO

THE HONOURABLE MR. JUSTICE LEBEL
THE HONOURABLE MR. JUSTICE MCGILLIVRAY

Osgoode Hall, Toronto 1
March 6, 1958

RODERICK LEWIS, ESQ., Q.C.,
CLERK OF THE LEGISLATIVE ASSEMBLY,
PARLIAMENT BUILDINGS,
TORONTO, ONTARIO.

Re: *Private Bill No. 3, An Act respecting St. Peter's Church, Brockville.*

DEAR SIR:

The undersigned, as commissioners of estate bills as provided by The Legislative Act, RSO 1950, chapter 202, section 57, having had the said bill referred to us as such commissioners, now beg to report thereon.

It appears, from the petition filed herein and from the information disclosed on the hearing before us, that an alteration is necessary to clarify certain words in the recital of the bill; and that an amendment to paragraph 4 of the bill is necessary to assure that trust funds, arising from the sale of the lands in question, will be applied for the same purposes and for the benefit of the same persons as directed by the original deed of the said lands.

Your commissioners accordingly recommend as follows:

1. That immediately following the word "rectory" in line 13 of the preamble to the said bill, there be inserted the following words: "situated on the said lands" so that the preamble, as amended, will read as follows:

WHEREAS the rector and wardens of St. Peter's Church, Brockville, by their petition have represented that, under and by virtue of a deed bearing date of September 6, 1852, from Mary Elizabeth Jones, the lands and premises referred to in section 1 were vested in the Right Reverend John, Lord Bishop of Toronto, in trust, to hold the same forever to and for the benefit of the rector for the time being of St. Peter's Church, Brockville; that by section 4 of an Act incorporating the synod of the diocese of Ontario, being chapter 86 of the statutes of the province of Canada, 1862, the subject lands became vested in the incorporated synod of the diocese of Ontario; that it is onerous and impractical to maintain and keep the rectory situated on the said lands; and that it is desirable that the vestry of St. Peter's Church, Brockville, be enabled to sell such lands and premises with the consent of the bishop of Ontario and the executive committee of the incorporated synod of the diocese of Ontario; and whereas the petitioners have prayed for special legislation to authorize the sale of such lands and premises; and whereas the vestry of St.

Peter's Church, Brockville, the bishop of Ontario and the executive committee of the incorporated synod of the diocese of Ontario have consented to this petition; and whereas it is expedient to grant the prayer of the petition;

2. That paragraph 4 be amended by striking out in the last line the words "for St. Peter's Church, Brockville" and inserting in place thereof the words "for the benefit of the rector for the time being of St. Peter's Church, Brockville, with the right to use such proceeds, or any portion thereof, to provide a rectory for the said church."

Paragraph 4, as amended, will read as follows:

After payment of the expenses of obtaining this Act, and of all proper and reasonable costs, charges and expenses of effecting and carrying out such sale or sales, the incorporated synod of the diocese of Ontario shall hold the net proceeds thereof in trust for the benefit of the rector for the time being of St. Peter's Church, Brockville, with the right to use such proceeds, or any portion thereof, to provide a rectory for the said church.

We are of the opinion that the provisions of the bill, as above amended, are proper for carrying its purposes into effect, and it is reasonable that the said bill, as above amended, do pass into law.

The bill, duly signed by the commissioners, and the petition therefor, are accordingly returned herewith.

We have the honour to be, sir,

Your obedient servants,

(signed)

A. W. LEBEL, J.A.

G. A. MCGILLIVRAY, J.A.

Commissioners of estate bills.

Mr. Speaker: The bill, together with the report of the commissioners of estate bills thereon, will be referred to the standing committee on private bills.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. E. P. Morningstar, from the standing committee on labour, presents the committee's report and moves its adoption.

Your committee begs to report the following bills without amendment.

Bill No. 92, An Act to amend The Workmen's Compensation Act.

Bill No. 93, An Act to amend The Labour Relations Act.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

DIVERSION OF WATERS INTO THE WINNIPEG RIVER

Hon. R. Connell moves first reading of bill intituled, "An Act to authorize the government of Ontario and the Hydro Electric Power Commission of Ontario to enter into an agreement with the government of Manitoba and the Manitoba Hydro Electric Board respecting the diversion of certain waters into the Winnipeg River and the power generated from such waters."

Motion agreed to; first reading of the bill.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

Report of the board of governors of the University of Toronto for the year ended June 30, 1957.

Mr. Speaker: Orders of the day.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before the orders of the day, may I say that a year ago it was our pleasure in this House to extend congratulations to the runner-up, the Canadians, loser of the games overseas, and at that time to congratulate the winners and all of those who had participated. At that time I think we were good losers.

On this occasion, I think we want to be equally good winners. We want to congratulate the winning hockey team, the Whitby Dunlops, on their great showing, and to congratulate the runner-up, and also those who participated, with the earnest hope that these games will contribute to understanding and good will in the world.

Yesterday I caused a telegram to be sent to Mr. Blair, the manager of the Whitby Dunlops, which read:

HEARTY CONGRATULATIONS. ALL CANADA THRILLED WITH PRIDE AT YOUR VICTORY AND THE FAME OF CANADA RINGS AROUND THE WORLD.

I am sure this expresses the views and the wishes of us all. This is a great victory. On the other hand, had the Whitby Dunlops lost, we would still congratulate them for their fine sportsmanship and for the way they have carried high the good name of our country which we hope, as I say, will contribute to good feeling.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, I share of course the good wishes of the hon. Prime Minister in congratulating the Whitby Dunlop team on

their great victory overseas. It is a victory not only for Canada, but for amateur sport generally.

Sometimes I think we tend somewhat to overestimate the value of amateur sport, but in this particular sense, it is an indication of what amateur sport can do, and I hope that the victory overseas of this great team will transplant, into the minds of Canadians generally, the value of amateur sport and what it can do for the young people of this country.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, I would like to join the hon. Prime Minister and the hon. leader of the Opposition in expressing the great unanimity of feeling on this occasion. Whitby, Mr. Speaker—part of it, anyway, or a small portion of it—south of highway No. 401 is in my riding. Naturally, I would be interested, but on the other hand too, I am very much interested because some of the players on the team are Oshawa boys.

We are very proud of the team. I feel that we would like to join the hon. Prime Minister in supporting his sending of the telegram to the Whitby team.

I agree with him that, although it was important that we win, I think the most important thing is the creation of a better understanding between the east and the west, and if they have accomplished that, then I think they have done two fine things, in winning for Canada the international trophy and creating a better understanding between Russia and our own country.

Hon. M. B. Dymond (Minister of Reform Institutions): Mr. Speaker, I had intended to mention this matter today, but when the hon. Prime Minister mentioned it, I felt the subject was covered very adequately.

Speaking on my own behalf, however, I would like to join with those who commended the team, but more on a local basis, because this team is, after all, from my riding. Whitby is the county seat of the county which I have the honour to represent.

Now this team, the winners of the Allan Cup, last year, first started out under something of a handicap. At the beginning of that season, I think all of their followers saw in them great possibilities, but some saw even greater possibilities, and believed from the very start that here was a team of champions and, clinging tenaciously to that faith, they backed them every inch of the way.

The slogan which they developed for the team has become something of the nature of a war cry or a battle cry, "Go Dunnies Go!"

a cry that resounded not only across the length and breadth of Canada and indeed this continent, but now all around the world.

I saw the team play their last game on their home ice on January 27, and at that time, speaking on behalf of this government, I had the honour to present them with a very small donation towards their expenses.

I said that, although I was very much impressed with their skill as hockey players, I believed that they were taking on an even larger assignment than playing a game. On going to other continents they were going in something of the nature of ambassadors of Canada, and this they have done, I think, with as equally great a skill as they have shown on the ice.

Their home town and community today is extremely proud of them, as I am quite sure we are in this province and this nation. I think it is very fitting indeed that some record of their achievement should be written into the official records of this House.

Mr. Speaker: Before the orders of the day, I would like to welcome a number of students who are present today to watch the procedures of the House. They include students from the George T. Mackie school, Scarborough, from the North Agincourt public school, Scarborough, and from R. H. McGregor school in this city.

Hon. Mr. Frost: Mr. Speaker, I am sure that the hon. members of the House would want me to extend to the hon. member for Lambton East (Mr. Janes) our sincere sympathy in the great bereavement he has sustained in the loss of his wife. Mrs. Janes was very well known to all of us, and we exceedingly regret her passing, and we extend to her husband the hon. member for Lambton East, our deepest sympathy.

Mr. Speaker, as you know there is this evening the customary government dinner for the press, and I would like to adjourn, if it is possible, around 5.30 p.m. or sooner if we possibly can. But that, of course, is dependent upon the estimates that we will be considering.

Concerning night sessions, I think perhaps it would be well if I state this now. It will not be possible to hold a night session on Thursday or next Monday, March 17, a week from today. If possible, I would like to hold night sessions tomorrow night and on Wednesday night.

Now possibly, on Thursday, we could commence at 2 o'clock in the afternoon.

Tomorrow, I should like to have the estimates of The Department of Public Welfare in the afternoon and The Department of Public Works in the evening. That is on Tuesday. On Wednesday, we will probably take the estimates of The Department of Reform Institutions, and then spend the balance of the time on the budget debate. We could take the Reform Institutions estimates at night and have the budget debate in the afternoon, but we can arrange that as we approach Wednesday. That will take care of those two days, and I will give the House particulars for the balance of the week.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to; House in committee of supply, Mr. H. M. Allen in the chair.

ESTIMATES, DEPARTMENT OF MINES

Hon. J. W. Spooner (Minister of Mines): Mr. Chairman, in presenting the estimates of The Department of Mines for the coming year, I would like to draw the attention of the hon. members to some of the very great advances that have been made by the mining industry since the department's estimates were considered a year ago.

During the calendar year 1957, the mines of this province attained a total production of about \$740 million. This is only the preliminary estimate compiled by the Dominion bureau of statistics, and when the final returns based on more complete information are available, the total will be so greatly augmented that it will almost certainly reflect an increase of a full \$100 million over the previous record established in 1956.

Early in this session, I introduced in this House a report of the department covering the year 1957, and I recommended then that it be retained for reference by the hon. members. I refer now to a graph on page 2 of the report, which I think tells more clearly than words of mine just how great, how constant, has been the increase in the productivity of our mines during the last quarter-century.

It was only 25 years ago, in 1932, that the entire mineral production of Ontario totalled about \$90 million less than the increase of 1957 over the previous all-time record high. Since 1945, that is in a space of only 12 years, the annual production has spiralled from \$190 million to 4 times that figure.

Last year saw the completion of all the necessary and costly preparatory work at 9 mines throughout the province, and these

are now adding their output to the national and provincial economy. Of these 9 mines, 6 are uranium producers—2 in the Bancroft area and the other 4 at Elliot Lake. Three copper mines, 2 at Manitouwadge and the other at Cashabowie in the far western part of the province, also got into production during the year.

All together, in Ontario in 1957, there were about 85 mines of one kind or another in production. Some of these, of course, were not independent operations but rather a part of a major overall development. However, they are tabulated, and in total they represent a truly gigantic industrial complex.

Taking a somewhat longer view of the situation, a feature that is even more encouraging than the number of new mines in production, or the overall total of mining operations, is the large number of mining enterprises that are proceeding with development work in preparation for an early start in their productive operation.

At the end of 1957, there were 20 mines throughout Ontario preparing to come into production, and more than half of them will most certainly be producing before the end of this year. Five of the 20 are uranium mines in the Elliot Lake area, and another will produce uranium in the Bancroft field. In the Sudbury district, 5 separate nickel and copper mines are being prepared for production.

I must add though, Mr. Chairman, that on the other side of the coin the picture is not so bright. In 1957 we saw operations suspended at 24 mines in Ontario. I would hasten to add, though, that the situation leading to the close-downs was not as serious as it might appear on the surface. To begin with, 5 of the affected mines were relatively small operations in the Cobalt camp. Because of the situation peculiar to the industry in that particular area, it is not at all unusual to see mines close for a relatively short period and then reopen again with renewed vigour.

The fact, too, that the contract with the Canadian government, for the sale of cobalt, has expired has certainly had a depressing effect on the mines of that area.

Of the remaining 19 mine closures, there were 12 that were only in the development stage, and work was suspended before actual production could be started. In nearly every case these were copper properties and the close-down was brought about by simple mathematics. The market price of copper fell off so badly during the year that the mine managements decided that continued opera-

tions under the circumstances just would not be warranted.

I think that one need not be an inveterate optimist to believe that the current market condition is a temporary and passing phase, and that when the price is restored to a normal level, operations at most of these mines will be resumed, with great benefit to the province and to the entire nation.

The mining industry of this province gives employment to nearly 60,000 people. These are the ones who are directly employed in mining operations. It would be impossible to estimate the number of thousands of others who are engaged in fabrication, or other forms of manufacturing, which could be termed secondary steps in the development of our mineral resources.

Mr. Chairman, the mining industry is one of the giants of Ontario's economy, and I am proud to be the administrative head of the department of our government that is responsible for the overall general supervision of this great industrial complex. The establishment of any mining enterprise is not a project to be entered into lightly, the simplest operation is an immensely complicated business, and from the point of view of dollars and cents there is no such thing as a small mine.

In most cases, hundreds of thousands of dollars must be spent on exploratory and development work before the first ore is brought to the surface. May I quote one outstanding example, the Elliot Lake uranium range. At a fairly conservative estimate it can be said that the mines in this area have spent \$315 million in bringing the plants into production.

It is perhaps fortunate that the government does not have to concern itself directly with the raising of funds for the development of the mining industry, but I feel that any government support for the private enterprises which can be given through the operations of The Department of Mines is, in a sense, direct support for our whole way of life and the economy that makes that way of life possible.

We must recognize that the mining industry itself defrays the cost of government assistance to it. That is to say, the charges levied against the industry, in the form of taxes on profits and fees for licences, leases, mining permits, and so on, more than defray the whole operating costs of the department.

That, of course, is as it should be. It has always been the policy in this province that revenues collected from the mining industry be commensurate with the profits of the in-

dustry. That is, a fair balance should be struck between the interest of all the people of Ontario, who after all are the original owners of the lands from which the minerals are extracted, and the great investment of capital and knowledge made by those who recover the natural wealth.

In the budget speech a year ago, a forecast was made that the department's total ordinary revenue would amount to \$17.591 million for the fiscal year ending March 31 of this year. This estimate was about \$8 million higher than the actual revenue for the previous fiscal year, and unfortunately subsequent events have proved that it erred on the side of optimism. The present estimate of revenue for the year ending March 31, 1958, gives the revenue for this year as \$11.109 million.

This is greater by about \$2 million than it has ever been before.

I should like to interject a word of explanation now as to the reason that the year's revenue was less than had been expected. The difference can be accounted for by serious depreciation in the price of copper and some other base metals, of which I spoke a few minutes ago, and the unforeseen delays in the opening of some uranium mines and the greatly increased cost of mining operations.

It is obvious that these factors would result in a reduced profit, and that the reduced profit would be reflected in a reduced profit tax.

As I said earlier, there is every expectation that the setback in price, which has had so adverse an effect on the industry, is a temporary one only. That expectation, however, has not been allowed to affect our estimates of the revenue which the department expects in the fiscal year 1958-1959. In that period, we are budgeting for receipts totalling \$15.651 million.

This estimate is based largely on the anticipated profits and the corresponding taxes of the uranium mines which are now in production, or will be in production early this year.

The original estimate of ordinary expenditure in the current fiscal year was for \$1.562 million. It appears now that this might be scaled down by nearly \$100,000 to \$1.464 million. However, since the appropriations of the Ontario fuel board were turned over to The Department of Mines, the total expenditures for the department for the present fiscal year will show on the statement as about \$1.620 million. For the year begin-

ning next April 1, we are estimating that expenditures will total \$1.758 million.

The main office of The Department of Mines is the centre of the administrative services. It handles all operations that are not otherwise allocated to specific branches, including accounts in mine assessment, publications and publicity. Included in the main office vote are the cost of operating the office of the mining commissioner. The commissioner fulfils a unique function in the government.

The hon. members will recall, Mr. Chairman, that the mining court was dissolved two years ago, and in its place the office of the mining commissioner was established to adjudicate disputes with a minimum of formality and expense. During the calendar year 1957, there were nearly 2,000 orders and judgments issued by the commissioner. The total for all main office expenditure for the year 1958-1959 is estimated at \$492,000. This sum is covered in vote 1,101.

Individually, and as a group, the department's staff of geologists perform a service vital to prospectors and to the whole mining industry. The provincial geologist staff now consists of the assistant provincial geologist, 5 geologists stationed at Toronto and resident geologists at Cobalt, Swastika and Port Arthur, with an acting resident geologist at Kenora. Arrangements have been made to fill one vacancy that now exists on the Toronto staff, and additionally this year it is hoped that the office at Timmins, which is now vacant, may be filled, and that a permanent appointment may be made at Kenora.

Provided that office space becomes available, it will be most desirable to add 3 additional qualified geologists to the Toronto staff. Each year these staff geologists, and a number of equally well qualified men, lead field parties into strategic areas of the province to map and report on the geology there. These reports are subsequently published and, together, they form a comprehensive library of the known geology of a great part of Ontario.

Apart from the leaders, the personnel of the field parties is made up principally of students of geological science at Canadian universities. As there is always keen competition to acquire the services of these students, it is not always possible to have as many parties in the field as we would like.

During last year's field season, we had 11 parties at work in various parts of the province. Because of a scarcity of suitable personnel, this was considerably less than the

usual season's work, but we hope that, in the field season of 1958, it will be possible to send out 14 parties. Of these, 4 will be engaged in southern Ontario. There will be one party at work in the Blind River area, and two in the vicinity of Sudbury. One party will be sent to the Timmins district and another will be at work south of Kapuskasing. There will be another working north of Espanola, another along the north shore of Lake Superior, and 3 west of Port Arthur.

The cost of maintaining these field parties is estimated at \$140,000, and is included in vote 1,102.

In recent years, the use of geophysical methods of prospecting has been greatly increased. While it is not my intention now to go into a long explanation of the *modus operandi*, I would like to point out that a plane flying with instruments, at a given height, may disclose anomalies which can assist in the interpretation of geological conditions over a very great area of land in a much shorter time than would be possible for a party travelling afoot.

The aeromagnetic survey gives basic information which must eventually be correlated to the events on the ground, but the air survey gives the strongest possible indication of just where that work should be done.

This year, we are carrying out an aeromagnetic survey in the Cochrane district. I might point out in passing, that it was as a result of such a survey conducted in 1949 that work was undertaken to bring the iron mine at Marmora into production.

Another service of the geological branch has become a tradition in Ontario. Each year, in a number of strategically located communities, government geologists conduct week-long classes for prospectors. The interest in these classes has been maintained at a very high level, and I think there can be no question but that the interest in prospecting and mining matters, generally engendered by them, has had a highly beneficial effect on the mining industry in this province.

Relatively, this programme of classes is very inexpensive. I have found it necessary to allot only \$6,000 for the work in the coming year.

The total estimate for the geological branch, for the fiscal year 1958-1959, is \$227,000, covered by vote 1,102.

The mines inspection branch, made up entirely of graduate engineers, with a successful record in industry prior to their employment by the department, is responsible for supervising the actual operation of mines in Ontario.

Engineers are stationed at various points in the province convenient to the mining areas. In accordance with the provisions of The Mining Act, they check the working plans and proposed equipment of new operations and the maintenance of mine equipment, including that used in shaft hoisting following its installation. Working conditions and the safety of operations are under constant check.

The staff, under the direction of the chief engineer of mines, now consists of an assistant chief engineer and 3 other engineers in Toronto. There are 13 other engineers stationed at outside points in the province. On February 1 of this year, a second engineer was stationed at Elliot Lake to cover the uranium mines of that area.

The investigation of accidents is another function of the inspection branch. The enormous expansion of the industry, during the last few years, has provided a severe test of safety measures and practices.

The accident rate in mines reflects the excellent co-operation of the industry in the interest of accident prevention, and bears out our contention that Ontario has one of the best and most workable Mining Acts in the world.

The Department of Mines and the mining industry have always recognized silicosis as one of the hazards of mining. A great deal of valuable work and research on methods of eliminating the conditions, through which the health of the miners is seriously affected by the inhalation of silica dust, has been accomplished by a number of agencies, notably the MacIntyre Research Foundation. It is essentially a long-term project, but the results so far available indicate that very real progress is being made.

Toward the end of 1957, the department retained the services of Dr. John F. Patterson, a well-known specialist in respiratory diseases, to make a complete independent study of the full situation. It is confidently expected that this will prove to be a real contribution to the other work that is already going on.

The inspection branch supervises and directs the work of the mine rescue stations which are strategically spotted in mining areas throughout the province. Except for the superintendent and a small full-time staff at each station, they are manned by employees of the mines. The full cost to the government of operation is refunded by the mining industry. There are now 8 rescue stations and 15 sub-stations throughout the province.

While, naturally, the hope is that these mine rescue teams may never be called upon

to prove their worth, miners in the mining industry are very happy that they are at hand in case they should be needed. They stand in much the same position as the fire department in a city. If they are needed at all, they are needed urgently and immediately.

Training of mine personnel in rescue work proceeds the year round in every mine in the province. A competition is held every year to select the most efficient team in the province. The winning team, in 1957, represented Steep Rock Iron Mines Limited.

The estimated expenditure for all the activities of the inspection branch, in the coming year, is \$166,000, appearing in vote 1,103.

Other very important services to the mining industry are rendered to the department through the operation of 3 laboratories. The first of these is the provincial assay office in Toronto, from which mining companies, prospectors and others can receive scrupulously accurate analyses of the mineral values of samples they submit.

While there is a set scale of charges for this work, the total revenue derived does not begin to reflect the volume of analytical work done by the laboratory.

The Mining Act provides that a stipulated number of free assay coupons are given with the recording of claims, completions of assessment work, and on other occasions. This provides a real incentive to prospectors and claim owners to prove up the property. During 1957, more than 4,000 routine assays were made, and a considerable volume of special work was performed by the provincial assay laboratory. The estimate for this work during the coming fiscal year is \$66,000.

Our second laboratory is the Temiskaming testing laboratory which has been operated at Cobalt by The Department of Mines for the last 36 years. It meets a very particular need of the cobalt and silver mines of that area, in providing facilities for bulk sampling of the ores, and determining their market values. Normally, the fees received from the mines more than cover costs, although in 1957 there was a small deficit in operations.

The financial success of the operation in the coming year will depend, to a large extent, on the strength of the market for the metal cobalt. Since the completion of the contract with the general services administration of the United States on March 31 of last year, mining of this material has dropped off almost to zero. However, new markets are being sought and it is to be hoped that a revival of the industry will result.

Cost of operating the Temiskaming testing laboratory, as shown in vote 1,104, during the coming year, is estimated at \$80,000.

There is one feature of our mine safety programme that I should be very happy to have any hon. member of this House see in operation. I refer to our third laboratory, the cable testing laboratory in the east block.

The Mining Act requires that lengths from every cable that is used in mine hoisting, in Ontario, must be tested here at semi-annual intervals. The series of rigorous tests is culminated when the cable is stretched in a machine capable of exerting as much as 1 million pounds of tension. Tension is exerted gradually, until the powerful cable snaps.

Since this is the only machine of its kind in the British Commonwealth, and one of the very few in the world, tests are frequently made for mining companies and other interests outside the province. The fees for the test, although they are moderate, are sufficient to insure a slight profit on operations throughout the year.

The cost of operation for the next fiscal year is estimated to be \$43,000, and is covered also by vote 1,104.

The cost of the operations of the sulphur fumes arbitrator is defrayed entirely by the companies with which his duties are concerned. The expenditures of the department, in this respect, are refunded by the companies each calendar year.

In order to finance the operations for one year from April 1 next, we are asking for an advance of \$20,000 which will be covered by vote 1,105.

It is not expected that this amount will cover all the costs for the coming fiscal year. For, since the estimates were prepared, it has been learned that a number of treatment plants, other than nickel and iron smelters, will be involved in the administration of The Damage by Fumes Arbitration Act. It is possible that a Treasury board will be required to cover costs for part of the year, and a bill is presently before the House permitting the assessment companies involved to a total of not more than \$30,000.

The mining lands branch, numerically the largest branch in the department, is also responsible for a large part of the revenue paid into the consolidated revenue fund by the department. The activities of this branch are covered in considerable detail in the report which I mentioned earlier, and the estimated cost of the operations for the year ahead amount to \$318,000.

Mr. Chairman, during the last few years, since natural gas began to come into general use in the development of Ontario's industry, and to become in general use by domestic users, the Ontario fuel board has taken over a very important place in the daily lives of a great many of the people of this province.

Although the Trans-Canada Pipe Lines Limited and the Northern Ontario Pipe Line Corporation do not come so directly under the purview of the fuel board, as do others, since they are operating on a federal charter, Ontario's interests are very directly involved to the extent of some \$35 million of provincial government investment in them.

Moreover, there is gas at both ends of the Trans-Canada line, the source of supply in the west and billions of cubic feet in storage space in former producing wells in south-western Ontario.

The board does enter into this picture in a direct way, as its authority is complete in connection with the operation and construction of gas lines built by companies operating on a provincial charter.

It is a very large field in which the board operates, and as would be expected in a work of this magnitude, certain difficulties do arise from time to time. Because it is necessary for the several companies to deal with large numbers of individuals, over whose land the transmission lines have to pass, it is inevitable that there should be some differences of opinion as to the actual value of the land, the fair and correct assessment of any damages resulting, and an equitable settlement with the land owner concerned.

I would say that the number and seriousness of these disagreements has been greatly over-emphasized. Now, we in the department are planning new legislation to strengthen the powers of the board, and to improve the methods of settling disputes. Conferences are now being held by interested parties and organizations, such as the Ontario Federation of Agriculture, gas distributors and others, with a view to presenting legislation at this session of the House.

The Ontario Fuel Board Act of 1954, as amended to date, is designed, and I would like to emphasize this, to give full protection to the individual consumer of natural gas, and to the farmer whose property could conceivably become involved in expropriation proceedings.

With your permission, Mr. Chairman, I should like now to read certain sections of the Act to show just how thoroughly these

rights are protected. Section 15, subsection 1, reads, and I quote:

The board may control and regulate the production, storage, transmission, distribution, sale, disposal, supply, use of natural gas in Ontario and may make orders with respect thereto.

Subsection 2:

Where an order is made under subsection 1, and agreement has not been or cannot be reached as to the amount to be paid by a person to another person, the board, after having given such persons an opportunity to be heard, may by order fix such amount.

Section 16, subsection 1, Mr. Chairman, says:

Without restricting the generality of section 15, the board may make orders fixing the rates, meter rentals and other charges to be made by ultimate consumers of natural gas.

And subsection 2:

No new rates, meter rentals or other charges, and no alteration of existing rates, meter rentals, or other charges to be charged to ultimate consumers of natural gas shall be put into effect until ordered by the board.

Section 3:

No order shall be made under subsection 1, without a hearing, unless the municipality or other interested party and the gas utility concerned consent thereto, but the board may without a hearing and without consent make an order under subsection 1 other than an order increasing rates effective for a period of not more than one year pending the final disposition of the application thereunder.

And subsection 4:

Where the rates, meter rentals and other charges are those to be paid to a publicly owned utility, and the Ontario municipal board has made an order with respect thereto, the board shall have regard to such order.

Subsection 5 of the same section 16 reads:

Every gas utility shall make available to the board, on demand therefor, the information, financial statements and other

material that the board may at any time require for its purposes, and that in the opinion of the board pertain to the rates; meter rentals or other charges paid to the gas utility by ultimate consumers of natural gas.

And finally, I would like to quote section 17, which states:

The board may, at any time, and from time to time re-hear or review any application before deciding it and may by order rescind, change, alter or vary any order made by it under this Act or any other Act or under The Fuel Supply Act, The Natural Gas Conservation Act or The Well Drillers Act.

Now perhaps it is not necessary to point out that the basis for rates and rentals charged the ultimate consumer are based on the actual capital investment and the operating costs of the operation.

The chairman of the Ontario fuel board expressed this very well in a statement to the press last July. He said, and I quote:

The board considers the actual cost of the plant and actual operating costs, and limits the company's return to a fair percentage of the actual investment and operating costs. The board is not concerned with how these returns would affect the price of the shares or the eventual possible dividends that might result.

That is the end of the quotations.

Now, Mr. Chairman, I would ask hon. members to please take note that stock promotion by the individual companies, and the methods by which they choose to dispose of their stock, is not the direct concern of the board or of The Department of Mines, although I can assure the hon. members of this House that other legislation does offer fully adequate insurance against any improper manipulations.

If I may interject a slightly personal note, Mr. Chairman, I would like to point out that the whole question of operating gas distribution systems is one in which I was actively engaged for some time, in a capacity other than my present one. I think I can claim a fair share of knowledge as to how they operate, and how they work in conjunction with municipalities.

Now, as I pointed out earlier, an order-in-council passed in February transferred the appropriation for the Ontario fuel board to The Department of Mines. The board is responsible for administering regulations

respecting the drilling and operation of gas and oil wells in the province, and for the production, as stated before, and the price and distribution of natural gas.

It regulates the insulation of appliances and, under the terms of The Municipal Franchises Act, it also is responsible for approving the terms and conditions of the franchises granted for the distribution of gas. Under the terms of The Gas Pipe Lines Act, it is responsible for issuing authority for the construction of gas transmission lines.

The total estimated cost of operating the board for the coming year is \$193,000, as shown in vote 1,107.

Now that, Mr. Chairman, takes care of all the ordinary expenditures we anticipate during the coming year.

There remains one item of capital expenditure for the approval of this committee. I refer to item of \$1 million which, since 1952, has been voted annually for the construction of mining and access roads. These roads, which in nearly all cases are built much more cheaply than they could be, if they were of the full highway specifications, have proved their worth many times over.

Ontario's northland is a veritable treasure house of mineral and forest products. This treasure can never be fully tapped until means of ready access are available. Only a small part of the thousands of square miles is yet open to the prospector, the miner and the lumberman. But a very substantial start, in opening the untouched wilderness, has been made through the medium of these roads.

To the end of 1957, nearly 400 miles of these road projects had been completed. This represents 50 separate projects. The total government expenditure on this rather impressive mileage to the end of March will be just about \$5 million.

Mr. Chairman, in concluding my remarks today, I want to pay a very sincere and well-earned tribute to the individual members of the staff of The Department of Mines. Although their numbers are small, about 225 people altogether, the volume of work they accomplish and the number of details that must be handled in a highly skilled manner makes this, I think, one of the most efficient departments in the government. The calibre of work that these people perform, I suggest, makes the label "civil servant" a title of honour.

On vote 1,101:

Mr. F. R. Oliver (Leader of the Opposition):
Mr. Chairman, at the outset I intend to speak

only briefly, and about one particular matter. It may be that what I have to say runs over from The Department of Mines into government policy.

I want first of all to congratulate the hon. Minister upon his review of The Department of Mines. He is, as the House well knows, a new hon. Minister, and it would seem that he has a very close and understanding grasp of the department over which he presides.

Now, the point I want some elucidation on, from the hon. Minister or from the government, has to do with expenditure and revenue of that department and one other.

There are two departments of government, of course, which deal most extensively with natural resources in this province. One is the one over which the hon. Minister presides, The Department of Mines, and the other is The Department of Lands and Forests. What I want to know from the government is what the policy of the administration is in respect to natural resources taxation generally.

In The Department of Mines, we have a department which, as the hon. Minister just said, will return to the consolidated revenue fund a very substantial profit on the year's operations. Next year, they expect a profit of over \$10 million.

Now, in The Department of Lands and Forests, exactly the opposite is the case.

These are two departments which deal with natural resources, and one would be justified in concluding, I would think, that these two departments should have the same aim and the same goal in mind. They both tax the natural resources of the province, yet one department returns to the consolidated revenue fund a handsome profit at the end of the year, and the other is in a deficit position so far as the forecast of expenditure and revenue is concerned.

I think the House is entitled to know from the government just where we are going with respect to these two departments. It may well be that, insofar as The Department of Mines is concerned, we are not giving the proper stimulus, or adequate stimulus, to these new mining areas. It may be that what we are giving is too small altogether in order to foster the growth of those communities and to open up new areas for mining in this province.

The government, I think, should be in a position, and should welcome the opportunity, to say to the House just what their policy is in respect to taxation on natural resources in this province.

Are we to have one great department that returns a big profit to the Treasury, and

another one which operates in a deficit position?

Hon. L. M. Frost (Prime Minister): Well, I would answer the question of the hon. leader of the Opposition by saying that it is natural enough that we would have one area that would return a profit and one that perhaps that would be in a deficit position.

Actually speaking, The Department of Lands and Forests, I think, about breaks even, but unfortunately we have two different positions.

Take, for instance, the return of mineral taxation in Canada. Of course mineral taxation returns a profit to the government concerned. That is very notable, for instance, in the province of Alberta, where I think there is perhaps the most spectacular case of a return from a natural resource. The expenditures on conservation are comparatively small in those cases.

In the expenditures on conservation such as a mineral or metallic mine, there is very little that can be done beyond the encouragement of not raising the level of taxation above an amount that makes it unprofitable to take from the ground the minerals which are there. Now, we have to remember that, on the other hand, it is an expendable resource.

The Lands and Forests Department is one which with fish and wildlife is a renewable resource, and one in which we must spend very vast sums of money in conservation, fire protection, reforestation and all those things.

As a matter of fact, it used to be, I very well remember in other days in this House, that The Department of Lands and Forests returned a very large surplus to the province. The hon. member for Brant (Mr. Nixon) has remarked on that. I very well remember when the total appropriation to The Department of Lands and Forests ran around about \$2 million or \$2.5 million and their income was very much more.

But today we are investing the money back, from the increased returns we are getting through The Department of Lands and Forests, into fire protection, conservation, reforestation, insect control and research, and all of those things that go to make our forest revenues and our forest industry a perpetual industry. Now that is the objective of it.

It is very easy, of course, to get a distorted view of mining revenues. For instance, in that field we pay the municipal taxes of the mines through the returns we get from the

mining tax. Take, for instance, the city of Sudbury. It used to receive nothing from that source, and it now receives about \$250,000 or \$300,000, something of that sort. It was also true of the mining municipalities. This year, we are giving to the mining municipalities some \$3.5 million to take the place of their municipal taxes.

Now, the hon. leader of the Opposition can see the problems. If we were to make the mines subject to municipal taxes, of course we would immediately put, I suppose, 80 per cent. of them out of business. The purpose of this is that the good mines are carrying the poor mines by the assistance we are giving by way of municipal tax. That, of course, does not show in the balance sheet.

Then there is this, we have to take natural resources all together, we have these other expenditures such as access roads that the hon. Minister mentioned, we have schools, we have the servicing of the population of those areas, and so on.

I think it is arguable, when we take all of the mining and natural resources revenues together, that we are really not in any surplus position at all. We are, perhaps, in a deficit position. Perhaps it is arguable that again taxes should be raised to balance the picture.

On the other hand, I am mindful of the criticisms of the hon. member for Waterloo North (Mr. Wintermeyer) who made a very eloquent speech on that subject a few days ago, that our taxes are presently too heavy. I think that was his argument. I would not go so far as to say they are too heavy, but I think under present conditions they are heavy enough.

Therefore, when we take the entire picture, the population that has to be serviced, the cost of education, access roads, roads, and then all of the expenses which run with the conservation of these resources, when we add them all together, I do not think, Mr. Chairman, that we are getting enough money to balance the books.

I think the hon. leader of the Opposition will see that what we make in one area we have to use in another to make up the difference.

Mr. D. C. MacDonald (York South): Mr. Chairman, there are two aspects of the introductory remarks of the hon. Minister that I want to deal with. One has to do with revenues, and I was proposing to leave that until the budget debate, but now that it

has opened up, perhaps I would just like to touch on it briefly.

The thing that puzzles me about the mining revenues this year is this: last year our revenues were approximately \$8 million, and the government increased the mining royalties, and they estimated that the tax revenue this year, or the revenue from the department this year, would be something like \$17.5 million. The budget comes down and we find that it was not \$17.5 million, it was \$11.1 million.

Now, I presume the explanation of the government is one that the hon. Minister gave, that we have run into low-priced markets for copper and a few other of the minerals.

This seems to add up, but it does not add up when we look at it in another way, and that is that the hon. Minister is priding himself, and the government is priding itself, on the fact that this year, the total wealth produced in the mining industry has gone up by a further \$88 million to \$739 million now. In other words, from an increased wealth produced from the mining industry, a wealth almost \$100 million more than it was a year ago, instead of getting double the amount of revenue that the government anticipated they were going to get—in other words an increase from \$8 million to \$17.5 million—we find we are getting only \$11.1 million.

Now, Mr. Chairman, this again raises the question that the hon. leader of the Opposition raised. I do not propose to go into the full details of it now, because I think this more appropriately should come under the discussion of the budget and the revenues of the province.

But certainly there should be some clarification on this issue of whether or not we, in the province of Ontario, are getting back a fair net amount to the people who own these natural resources.

I am talking about net amount, not a gross amount, but a net amount as the rental for the general needs and uses of the people of the province.

I think the hon. Prime Minister is correct when he draws, in reply to the hon. leader of the Opposition, the distinction between The Department of Mines and The Department of Lands and Forests. Obviously, in The Department of Lands and Forests we are going to plough back a great deal more for conservation, reforestation, fire-fighting, and many kinds of services not required in the mining industry.

Now for the other aspect of it. Since this has been raised, maybe this is the appro-

pritate place to refer to it, because the hon. Minister also drew attention to the fact that, in an area like Elliot Lake, the industry has invested \$350 million.

This is a very encouraging kind of development. I note for example, in the supplementary estimates, the government is going to—and I am just recalling the figure now from memory—spend something like \$1.5 million or \$1.75 million to buy the debentures from the Elliot Lake area. I would not object to this a bit because we have a fantastic development estimated at 30,000 people by the end of this year. Certainly these people going out into the bush are entitled to some of the amenities of modern life, and we should build this city up as quickly as possible.

But the thing that puzzles me, Mr. Chairman, is this: Why is it that an industry that goes in presumably as a free enterprise industry has to be helped along by governments until it makes an absurdity of the proposition of free enterprise?

When we were up at Elliot Lake, for example, this past year on the trip with the hon. members, I was very interested to learn something which had not come to my attention up until then.

This is that, in the first 5 years that these uranium mines are going to be in operation, not only are they going to get the usual 3-year exemption on corporation tax, but they have a contract with the federal government so that the total production of these mines, in the first 5 years, is being bought by the federal government on behalf of the Canadian people, so to speak, and at a price.

Mr. Chairman, I think we should take a look at this—at a price which is calculated so as not only to give them a fair profit annually on their production, but so that at the end of 5 years, Mr. Chairman, if you can credit this, the total \$350 million capitalization is going to be written off.

This is a duplicate of the kind of thing that happened with the Aluminum Company of Canada during the war, where they came to the people of Canada and said: "We cannot invest these hundreds of millions of dollars to expand a plant to meet the war needs. If you want us to do this, there is only one answer, you must give us an accelerated depreciation on our tax so that at the end of 3 years the whole plant will be written off." And the people of Canada did that.

The company claimed that, if this was not done, they were going to be left with a white elephant at the end of the war.

Well, we know how much of a white elephant they had at the end of the war.

They needed that productive capacity so much that they used what had been given to them, as a gift for a song, by the people of Canada, and went out and built another big plant in Kitimat.

And what is happening today is that the people of Canada—and that includes the people of Ontario doing it twice over because as we know half of the revenues come from the province of Ontario—the people of Canada are underwriting the uranium companies of Elliot Lake so that, at the end of 5 years, their total capital investment will be paid off, and they have another 45 years of the life of this ore body. These were their own words when we visited them.

Now, why in heaven's name, we should have governments which are spokesmen on behalf of the mining industry—

Hon. A. K. Roberts (Attorney-General): May I interrupt the hon. member for a moment—

Mr. MacDonald: Does the hon. Attorney-General have a question?

Hon. Mr. Roberts: Is the hon. member not aware of the fact that the government of Canada is simply acting as an intermediary, that the contracts are for American interests for the great bulk of the amount, and the Canadian government is under no obligation to pay for this except in that capacity? Surely he knows that.

Mr. MacDonald: Is the hon. Attorney-General aware of the fact that there may be a subsidy in this price, and if so, how much?

Hon. Mr. Roberts: It is entirely met by foreign interests, not by Canada—

Mr. MacDonald: Is the hon. Attorney-General sure of that?

Hon. Mr. Roberts: I am absolutely certain.

Mr. MacDonald: Efforts are being tried at the federal level to find out exactly the nature of these contracts.

The fact of the matter is this—this is the point and let us not get away from it—that they have a contract so that, at the end of 5 years, this great \$350 million, the shirt that they are risking off their back to get this industry established, is going to be completely wiped out.

Hon. Mr. Roberts: Because the American government chiefly was prepared to pay for it in the interests of defence.

Mr. MacDonald: The hon. Attorney-General is getting a little excited. Just let me give him another example.

Hon. Mr. Roberts: The hon. member for York South gives a lot of instances that do not mean anything.

Mr. MacDonald: When I was up on the tour in northern Ontario, with the hon. members, I was very interested in the dinner that was given to us in Geco by the president of Geco mines. In the course of his thanks to the government for this and for that, and a few other demands that he made of the government—it was a mixed bag of tricks—

Hon. Mr. Frost: Was I there?

Mr. MacDonald: I do not think the hon. Prime Minister was there. I think he had flown off and was winging his way back to Queen's Park.

But the president of Geco mines made this very interesting comment. He said that when they were trying to get established, the first offer to them by The Hydro Electric Power Commission of Ontario was for \$3.5 million. But he said, "We argued it, we got them beaten down to \$1 million, and it was not a bad deal."

Now the thing that interests me, Mr. Chairman, is this: I do not know on what basis Hydro operates, but I would imagine if Hydro sits down with a mining company to provide them with the electric power that they require to operate, it is not going into a horse-trading deal. If it offers \$3.5 million as the cost of the Hydro power required to get in there and operate the mine, \$3.5 million, I think it was, again I am quoting from memory but I think it was \$3.5 million—

Mr. J. A. Maloney (Renfrew South): That is often very very faulty on the hon. member's part.

Mr. MacDonald: The memory of the hon. member for Renfrew South may be a little faulty, too, so he had just better be quiet for a little while this afternoon.

I was there and it stuck in my mind very clearly what the final figure was. He said "we got it for \$1 million, and it was a pretty good deal."

Now, the hon. member for Port Arthur (Mr. Wardrope) used to have a predecessor in this House who many times drew attention to the fact that, every time an industry developed in northern Ontario, it was able

to get contracts with The Hydro Electric Power Commission of Ontario at rates that were far, far below what the people in the local area had to pay, even when they bought it from their local Hydro. So it strikes me as rather strange that the president of a new mining corporation could beat Hydro down from \$3.5 million to \$1 million, because I suspect what happens is that we, the people of Ontario, through Hydro, subsidize that extra \$2.5 million.

This is the kind of thing that goes on, in many different ways, to subsidize the development of the mining industry.

Now let me come back to the main point that I started with, that certainly we want development in this province. But why, after all these various forms of subsidies, direct and indirect, that the mining industries get, should we have governments come in and apologize for the fact that they have taken \$11 million out of an industry producing a wealth of \$739 million? This wealth is produced out of our resources.

I would suggest that the question that the hon. leader of the Opposition asked is a very pertinent one. What in heaven's name is this government's policy with regard to getting adequate returns, from the natural resources of this province, for the people on behalf of whom it is operating this trusteeship, and if this government has some clear answer to that, perhaps we can discuss it when we get back to the budget debate.

Hon. Mr. Frost: I have already given the answer.

Mr. MacDonald: He may have already given it, but it was no more satisfactory than—

Hon. Mr. Frost: Is the hon. member in favour of raising the taxes further? Is he?

Mr. MacDonald: Yes, sir. And I will tell the hon. Prime Minister when—

Hon. Mr. Frost: Even when the Opposition has debated on that point?

Mr. MacDonald: May I say that the Liberals are more Tory than the Tories on this issue, so let the hon. Prime Minister please do not try to play me off on that. I will give reasons why I think we should raise it, when we get to the budget debate.

Mr. G. C. Wardrope (Port Arthur): Does the hon. member understand how many mines had to close last year? Would he tax them more?

Mr. MacDonald: Yes.

An hon. member: He would love it.

Mr. MacDonald: Yes, I would love it. But if hon. members keep interrupting me, let them not blame me if I take a little longer than necessary.

Mr. Chairman, the other point that I want to discuss is this question of pipe lines. Now that the fuel board has come under The Department of Mines, I think this is the appropriate place for it.

I want first to take a look at the national pipe line end of it, and I do not apologize for doing it in the provincial Legislature, particularly the Ontario Legislature, for the simple reason that we are directly involved in it, through that northern Ontario link.

What I want to recall is this, that when we discussed this whole question of a national pipe line in the House, throughout the years 1955 and 1956, when this whole development was taking place, the hon. Prime Minister many times got up in the House and said that his personal preference, his first preference, would be for the development of this great new national project in Canada as a publicly owned operation—he nods his head in confirming that.

Hon. Mr. Frost: Is the hon. member talking about the carrier line?

Mr. MacDonald: That is right, the carrier line across the country.

This was his statement as first preference, as far as the provincial hon. Prime Minister was concerned.

Now the interesting thing was that, after a lot of battling had taken place at the federal end, over a period of a year or so, the Tory party at Ottawa got to the same spot. Let me recall just briefly that, on June 4, just before the conclusion of that rather black debate—dark debate, stormy debate—that took place in the Canadian House of Commons—

Hon. Mr. Frost: Black Friday it was.

Mr. MacDonald: I do not know whether this was black Friday or not, it was June 4. I have forgotten what day of the week that happened to be.

The then leader of the Conservative party, hon. George Drew, made this statement in the House of Commons:

All right, if they are determined to follow the course of going ahead with the pipe line, with the Crown corporation, let them go ahead with it and expand the Crown corporation, and give that Crown

corporation the power to build the whole line from the Alberta boundary right through to the east.

These were fine, strong words, the hon. Prime Minister agrees. Hon. Mr. Drew went on:

Let them go ahead, let them introduce a bill to expand the operation of the Crown corporation and embrace the whole line. They can get the pipe. They can proceed with the construction. We can assure them control of the pipe line for Canadians, and we can assure them prices that are advantageous to Canadians, instead of permitting the big gas operators in the United States to set prices that will be unduly favourable to them.

This is the kind of thing, for example, we are now finding out in west coast transmission, where the price to the American consumer is 22 cents and the price to the consumer in Canada, in Vancouver, is 32 cents. Rather a remarkable proposition for the handling of Canadian resources.

Hon. Mr. Drew continued:

In that way we will have Canadian gas moving into Canada, we will be able then to lead from strength, not from weakness.

If we want to get the best prices for Canadian gas in the export market, the surest way to get those prices is not to be dependent upon permission to enter the export market. The best way is for us to have our own line, and having our own line, make the best deal we can.

And let us be sure that we are not simply being taken for a ride by the Tennessee Gas Company and their subsidiaries in the United States.

Now, that was all very noble as a statement of policy, a very creditable statement of policy.

Two days later hon. Donald Fleming, the present Minister of Finance, got up and put it very simply. He said:

Well, sir, it now seems that we are narrowed down to a choice between two courses, the government's iniquitous proposal to hand over, to the Trans-Canada Pipe Line Limited, great sums of money to help them out for a public construction of the whole line—

So there we had a rather fortunate kind of development — the provincial Conservative

party saying they were in favour of public ownership of the national carrier line, and the Tories at Ottawa, after they had been beaten by events, eventually reaching the point where they too agreed.

Now since last June 10, the Tories have been in power. Our hon. Prime Minister's boys are in the saddle. He cannot fold his hands as he did a couple of years ago.

Hon. Mr. Frost: Mr. Coldwell told us that.

Mr. MacDonald: Well, if he did, the hon. Prime Minister has not caught on yet.

Hon. Mr. Frost: Oh yes, I caught on.

Mr. MacDonald: Two years ago, the hon. Prime Minister's contention was that he did not have control of the situation. "It is those horrible Liberals at Ottawa who are responsible for this situation, we just have to go along with it," he said. All right, now the Tory boys are in the saddle, and he is still in the saddle here. What has he done about it? What has this government done to establish what it claimed was its first preference, its first choice, with regard to the pipe line in Canada?

Hon. Mr. Frost: I would say to my hon. friend that I think the government at Ottawa is taking a very proper course. They have a commission at present sitting in Canada investigating the whole problem, and the whole matter is being given a thorough airing, and the whole thing is coming out, and arising out of that I have no doubt that good and proper policies and methods will evolve.

Mr. MacDonald: Now, Mr. Chairman, it is all very well for the hon. Prime Minister to get up, but many people in his own party, privately as well as outside, have acknowledged that this is one of the clearest ruses that ever took place. This is just to get this issue out of the political arena so that there will be one less hot potato for "Honest John" to have to deal with between now and March 31.

The interesting thing about it is that the commission has been put under the chairmanship of a man who has stated publicly his own views on public ownership, particularly on foreign public ownership, of a public utility, and has stated them so clearly that the proposition that, out of this Royal commission, the hon. Prime Minister should believe there might come a recommendation that is in line with his first preference, is just a pipe dream.

It is a real pipe dream in the land of pipe dreams all right. Mr. Coldwell, the CCF national leader has raised—

What was the question? I am not going to sit down, let him state his question. He has no right to be up.

Hon. Mr. Frost: Does not my hon. friend think that Henry Borden, with all of his background in Canada, is a great Canadian who will do a good job for us? Now, does he not think so?

Mr. MacDonald: Let me read one paragraph. There is a lot here that I would like to read because I think it is very edifying. Here is an article in the *Toronto Daily Star* by John Bird.

Mr. Kerr: Oh, the *Star*.

Mr. MacDonald: Well, I noticed last night, or at least on Saturday night, that the *Star* is giving about equal coverage to the Conservatives and the Liberals in this election, so perhaps the hon. member had better not be so snide about the *Star*.

An hon. member: They read the handwriting on the wall, too.

Hon. Mr. Frost: I was just reading it when the hon. member for York South started to speak—today's edition.

Mr. MacDonald: Mr. Coldwell had, on a number of occasions, in the House of Commons, as well as outside it, raised the question of the propriety of a Royal commission being headed by a man who is president of Brazilian Traction, a privately owned public utility—not only privately owned, but foreign owned—in terms of the country where it is in operation. And many times, of course, it has been suggested that he is being personal. Mr. Bird dealt with this, and I think this one paragraph is rather interesting.

To represent these questionings as a personal reflection upon Mr. Borden, or to dismiss them as smears, is intellectually naive and politically nonsensical. It would be absurd that a Canadian verdict to nationalize Trans-Canada pipe lines might not have repercussions upon the fortunes of the Brazilian Traction back home in South America. What a precedent that would be for the Borden commission to set!

The proposition that the hon. Prime Minister is expecting Mr. Henry Borden, the president of the privately owned foreign-dominated public utility, to bring in a recommen-

dation for public ownership—what he wants, public ownership—of this foreign-dominated national Canadian pipe line, of course, is just playing along with “John” in postponing it until the voting happens to be over.

The significant thing, Mr. Chairman, is that on this issue we can get unanimity even within such a variety of editorial views as to be found in the afternoon papers, the *Toronto Daily Star* and the *Toronto Telegram*.

Both of them are saying editorially what is obviously plain commonsense: “Let us nationalize this, and let us not be delaying the thing, because it is a politically embarrassing thing at election time.”

What this government at Ottawa is doing is, obviously, exactly what the Liberals did. They are going along with the big boys who are in the saddle. They are giving them a year to entrench themselves. This government, while professing to be in favour of public ownership, is doing no prodding at all, because they are going along with them too. The Tories made political capital while in opposition, but it was a pretty meaningless kind of capital, we now discover.

Hon. Mr. Frost: We have not been in opposition for a long time.

Mr. MacDonald: I am talking about Tories in the general sense.

Now, Mr. Chairman, I want to turn to the provincial aspect of the pipe lines because this is right in our own jurisdiction, coming right under the fuel board.

First, in northern Ontario. Let me recall that, when the distribution lines in northern Ontario were about to be organized, there was quite a battle in northern Ontario with regard to the franchises. In fact, the Northern Ontario Natural Gas Company ended up, after this battle was over, in getting the franchises from Kenora all around the loop to Barrie, with the exception of that area between Dryden, the Lakehead, Nipigon and Geraldton.

These franchises were won by the Twin City Gas Company. They were won, Mr. Chairman, because the Twin City Gas Company offered to these areas not only a more favourable contract, in the views of the local municipal councils, but they also offered to them the assurance that this was going to be an independent company—that the control of this company was going to rest with north-western Ontario, that the stock was going to be made available in sufficient quantities in northwestern Ontario so that they could count on this as being their public utility.

Well, what happened? After Twin City Gas got the franchises for the areas running from Dryden, through the Lakehead on to Geraldton, then of course, behind the scenes, the financial boys got into operation, and it was not very long before we discovered that Twin City had lost its independence, and had become a subsidiary of Northern Ontario Natural Gas.

Now, Mr. Chairman, when that happened I want to suggest to this government—as it was suggested at the time, when it produced a political storm around the Lakehead—that this was a violation of the spirit, if not of the letter, of the understanding under which these franchises were given to Twin City Gas Company. It was clearly understood that Twin City would be an independent company. After they had violated the spirit of that understanding, I think that those franchises should have been reviewed.

Hon. Mr. Frost: May I say to the hon. member that the proposal was made to the Lakehead cities and the other municipalities that, if they were dissatisfied with that arrangement, then the whole matter would be reheard.

Now what happened, as I understand it, was that the Lakehead cities made some arrangement, which was satisfactory to them, with the Twin City Gas Company, and they were satisfied and never made any application. Now, that proposal was made to them.

I would say to my hon. friend that the proposal still stands.

If any municipality feels that it is not receiving justice, or that the arrangement is not being lived up to, then the matter will be reheard by the fuel board if they make application. But I say that not one municipality has made a request for such a thing.

Mr. MacDonald: Well, this is all very fine, but I want to get to another point which, perhaps, explains why there was not the degree of opposition which might have been expected. This is the interesting point. I know, having spoken to mayor Badanai of Fort William personally, as well as having read some of his radio broadcast speeches, that he was not satisfied. Mayor Badanai led the battle in this, and if the hon. Prime Minister suggests that he is happy with the present situation, he just does not know the facts.

Hon. Mr. Frost: I am not saying that he is happy.

Mr. MacDonald: He certainly is not happy with the present situation. In fact, he has stated publicly, and has stated to me pri-

vately, that if he had known this was the kind of thing that was going to happen, they would have gone for a municipally owned system from the very outset—which raises another significant aspect of this question.

When this whole issue came before the House two years ago, hon. Dana Porter, who was the Minister responsible for it, said that there would be no objection to municipally owned systems. Yet, for some strange reason, not one new municipally owned system has emerged. And it has not because, behind the scenes, all manner of pressure was put on to dissuade municipalities from going in for a municipally owned system. They wanted to hand it over to private operators.

Hon. Mr. Roberts: By whom?

Mr. MacDonald: Well, for example, there were quite a number of people who suggested privately, so mayor Badanai told me privately—and has also said it in public—that when the question was raised as to whether or not they could get a municipally owned system, they were told that the fuel board did not look upon it with favour. They thought that, financially, it was not a very safe kind of deal and so on. But the reason why I want to get back to the point that the hon. Prime Minister raised—

Hon. Mr. Frost: I want to say to my hon. friend that I do not want him to be under any misunderstanding. If any municipality wants to have a public utilities distribution, I can assure him that we will give them any assistance that we can, that is within the limits of what we can do.

I may say to my hon. friend that I believe that the public utilities systems, which existed in Kingston, Kitchener and Peterborough, I think are still in existence, are they not? I believe that the public utilities systems which were in existence in Ottawa, Brockville, and Guelph, have been purchased by private concerns. Now, that is entirely their business but I would hope that, if the city of Kitchener wants to continue, we will give them every assistance and advice that we can.

I would say to my hon. friend that it is a difficult business to get into, I can assure him, but that if we can assist them, we will do it.

Mr. MacDonald: I want to address myself now to this question of why there was not as much opposition in this area to the proposition of Twin City Gas Company, after having gotten the franchises, being taken over by the company from whom they got them in competition, because here is the crux of the whole issue.

Hon. Mr. Spooner: The hon. member—

Mr. MacDonald: Mr. Chairman, can I continue? The hon. Minister will have a chance later on, if he wants to dispute what I have said or to comment on it, but just let me make my case.

Before Northern Ontario Natural Gas put its shares on the market in northern Ontario last June, the *Financial Post* reported that, some 4 or 5 months before, there had been one of these lovely, under-the-table, private distribution of stocks. Some 730,000 shares at \$0.46—an average of \$0.46—were made available, so that overnight, with the current market quotation of \$25, the recipients of these 730,000 shares made a cool \$16 million.

Now, Mr. Chairman, this makes the profiteering that went on on the Trans-Canada Pipe Line look like chicken feed.

In fact, just to show how scandalous this proposition is—maybe not legally, because as the hon. Minister said, this may be all within the framework of the law—but on any moral basis, the thing that makes it so utterly scandalous is that the total capital investments, in the distribution system of northern Ontario, is \$14.5 million, plus another \$7 million for the laterals into Timmins and the laterals over to Sudbury.

Here we have a little group of people behind the scenes, to whom stock was distributed, which at the time that they got it could make \$16 million in profits—more than the total capital that was going into the line.

Now if what went on with Trans-Canada, at the federal end, was a shocking thing that shook this nation last June 10, and contributed to the defeat of the Liberals, I suggest, Mr. Chairman, that this is doubly shocking, and it comes wholly within the provincial jurisdiction. Because this is the hon. Prime Minister's responsibility, coming under the Ontario fuel board—strictly provincial jurisdiction. This is a distribution system with which Ottawa has nothing to do at all.

Now, the question I would like to ask is this. Who got this stock? I know of one or two municipal officials along the line that Northern Ontario Natural Gas wanted to buy out from Twin City, who were offered the stock and did not take it. They regretted it afterwards, I can assure hon. members.

Hon. Mr. Frost: I would say to my hon. friend that, if he wants to know who got the stock, let him read page 23 of the prospectus, which gives it in detail. I would say to him that this disclosure was made because the laws of this province demanded it. Now I point that out to him.

Mr. MacDonald: Does it list all those people who got the stock? Every individual?

Hon. Mr. Frost: It is right there. That is every individual who got the stock.

Mr. MacDonald: I doubt it. Every individual who got the stock is listed there?

Hon. Mr. Frost: The hon. member can doubt it if he wants to. Absolutely.

Mr. MacDonald: Just a minute now, just a minute. Is every individual who got some of the 730,000 shares at fire sale prices listed in that prospectus?

Hon. Mr. Frost: Yes, and I say that some of the fire sale prices were lower than the hon. member has mentioned. According to this disclosure, some of them were \$0.08 a share.

Mr. MacDonald: I agree with the hon. Prime Minister. In fact, I will just cite a couple of instances that I wanted to draw to the hon. Prime Minister's attention. One of them is the instance of R. K. Farris, who happens to be head of Northern Ontario Natural Gas. The newspapers came out indicating that R. K. Farris got his stock for \$0.08. As Mr. Coldwell pointed out in his speech the other night, he made just 350,000 per cent. profit on his investment.

I was very intrigued as to how a man got stock at four-fifths of a cent, and I checked with some of our own security commissions people here, and I found out how it operated. Here is another very interesting variation on the theme of these men who risked their shirts for these great developments.

Mr. R. K. Farris was one on the original group of promoters in this company. His original investment in this company was 75 shares at \$4, so his total contribution to this company was \$300 in cash.

As the company expanded, he was handed stock on a platter, and his 75 shares grew to 37,500 shares, on the original \$300 that he kicked in. That was the shirt off his back. At \$25, it eventually ended up that he cleared nearly a cool \$1 million, for which he had paid for each of these shares, approximately four-fifths of a cent. This is the kind of thing that has been going on in this province, under this province's jurisdiction.

If it was shocking when I listened to it during last year's campaign, and I recall all that the Tories said about the Liberals on this buccaneer's job and everything else before last June 10, then here is another example of buccaneers.

And what is this government doing about it? Nothing at all.

Now, I want to bring this a little bit closer to home, Mr. Chairman. All across this province last summer, questions were being raised, and it is an open secret around Queen's Park, and northern Ontario, that one of the hon. Ministers in this cabinet was involved in the pipe line profiteering. In fact, so much so, that eventually the hon. Prime Minister had a show down with him and he was dismissed.

Hon. Mr. Frost: I did no such thing.

Mr. MacDonald: The hon. Prime Minister did no such thing?

Hon. Mr. Frost: No, sir.

Mr. MacDonald: Can he tell us, then, why he was dismissed?

Hon. Mr. Frost: Let the hon. member go ahead, and I will tell him.

Mr. MacDonald: Oh, well now, here is once when I would be glad to give the hon. Prime Minister the floor. Actually, the fact of the matter is that the former Minister of Mines in this province (Mr. Kelly) was involved in this pipe line profiteering, just like R. K. Farris and everybody else. It is all very fine for the hon. Prime Minister merely to dismiss the man. The fact of the matter is that, in so doing, he has not cleaned up the mess, he has just tried to cover it up.

Hon. Mr. Roberts: Is the hon. member for York South making that statement as an hon. member? Or is he suggesting it?

Mr. MacDonald: I am just stating that it is currently said all across this province that the former Minister of Mines was involved in this pipe line profiteering. What I challenge this government to do is to establish a Royal commission to look into the full details of all the pipe line profiteering that has gone on at the provincial level—apart, presumably from what the Borden commission is going to look into at the federal level. In this way, we will find out just exactly who got these shares, and to what extent any hon. member of the government, or anybody close to the government, happened to be involved in it too.

This is a very subtle kind of legal corruption of public life.

I want to suggest to you, Mr. Chairman, that one of the things that happened, in this distribution of stock, was that Northern

Ontario Natural Gas, which wanted to buy out Twin City Gas Company, went around to people in these communities where Twin City had been given the franchise, and this stock was distributed in sufficient, appropriate places so that the opposition disappeared.

The hon. Prime Minister today rises, for example, and says that there has been no demand to review the whole situation. No, there has not been a demand, because those who might have been making the demand are in on the bonanza. I think it is about time that this province knew exactly who is in on the bonanza.

Hon. Mr. Roberts: Is the hon. member including mayor Badanai in that statement?

Mr. MacDonald: No, I am not including mayor Badanai at all, because—

Hon. Mr. Roberts: Well, he had better enlarge on that statement. The hon. member has put himself now in the position where, if he is prepared to make direct charges, he should make them. Otherwise he should stop this innunendo.

Mr. MacDonald: The hon. Attorney-General can always rise and start waving his glasses. But the fact of the matter is, that everybody is aware of the fact of the profiteering. The fact of the matter is, and let the hon. Prime Minister rise and deny it, that the issue with which he and his former Minister of Mines separated, was this kind of an issue. I suggest to him that this is not private information. This should be public information and let this government, instead of weaseling and twisting in its seats there, establish a Royal commission to let the people know the facts.

When I remember all that the Tories said about the Liberals last June 10—"these buccaneers, these people who were in cahoots with the buccaneers," all the rest of it—tough words that came from Rt. hon. John Diefenbaker and hon. Mr. Fleming—I say let this government just clean up its own House here, as they were demanding of the Liberals.

Hon. Mr. Roberts: Again I say to the hon. member, on his responsibility as an hon. member of this House, before he can make that sort of talk, and from anything but innuendo, he has a duty to perform to this House and to the public. He should make direct charges. Now, is he prepared to make them?

Mr. MacDonald: Let the hon. Attorney-General rise and wave his finger all he wants.

What I am challenging him to do is to establish a Royal commission of independent members of the judiciary, who are supplied with counsel, who will dig out the facts as is now being done on the West Coast Transmission Company, and to do precisely that thing for the financing of the pipe lines in northern Ontario.

Hon. Mr. Roberts: Is the hon. member prepared to make a charge as a basis for such a request? Specific charges?

Mr. MacDonald: Let the hon. Attorney-General never mind the specific charge. Let him just go ahead and do it, and let him not start that weaseling to get out of what is clearly a very embarrassing situation.

The Chairman: Order.

Mr. MacDonald: Oh, I know this is embarrassing.

Hon. Mr. Roberts: The hon. member has made what in essence is a very serious statement. Now I say it is up to him, as an hon. member of this House, to make a direct charge if he wants any such action as he has asked for.

Mr. MacDonald: I have asked the hon. Prime Minister to give full details as to why he and his former Minister of Mines separated, and perhaps when he does that we will be a little bit closer to it.

Now, I just want to turn briefly to the southern part of the province and the fuel board, Mr. Chairman.

I am going to raise this matter only because, in raising it, I say this in subdued tones this afternoon out of respect for the hon. member for Lambton East (Mr. Janes) who is not with us, but at least he, a week or so ago, became the conscience of the Tory party.

I sometimes wondered whether there was anybody who was ever going to be the conscience of the Tory party.

One of the shocking things about the whole pipe line deal at Ottawa was that there was not a single Liberal, much as his conscience twinged, who had the intestinal fortitude to get up and break with his party on the whole shocking proposition. We have seen, in the last 10 years, 3 Ministers of the Crown in Great Britain who disagreed with their government, and they resigned their position, but not a single one was willing to do it in the pipe line deal at Ottawa.

But finally the hon. member for Lambton East became the conscience of the Tory

party with regard to what is going on with the pipe line and the relationships of the fuel board in southern Ontario.

He reports, for example, that some people claim that the fuel board is just a tool of Union Gas. He said he does not believe this. But let me assure the hon. Prime Minister that there are an awful lot of people who will have to have more evidence before they are persuaded that this is not the case because, what this fuel board in its decisions has become is an instrument fulfilling this government's policy. This government's policy is to keep public enterprise out of the picture, and therefore to destroy the possibility of power at cost.

While they pay lip service to the great publicly owned Hydro system providing power at cost, they refuse to build an equally efficient kind of system to provide this new source of power at cost.

The hon. Minister, for example, in his introduction made some comments with regards to the 7 per cent. level beyond which, as the rule of thumb dictates, the price of this gas must be reduced by the utility.

Two years ago, in 1956, we passed amendments in this House which gave the fuel board more accountants, which gave them more staff, to get in and look at the books of various companies. What has been done in the interval?

There are many people, for example, who have been saying for two or three years that Union Gas must be far beyond the 7 per cent. level. In fact, a year or so ago—and my figures now are a year out of date—they paid \$1.5 million income tax, and they put another \$1 million away in reserve. Now, how this can be done while keeping within the 7 per cent. level on capital, I do not know.

What we have to do is to have some implementation, or some fulfilment, of this 7 per cent. regulation by the fuel board, so that this great natural resource of storage areas in the Lambton fields, where gas can be brought down and can be stored in the off-peak period of the year, can contribute toward the great saving to the people of southern Ontario by this sort of fire sale prices during the summer months and off-peak periods. How that can be done efficiently and effectively, without a publicly owned fully integrated system such as we have in Hydro with the grid system, I do not know.

But if this government must do it some other way, at least it is the obligation of the government, through its instrument the fuel board, to make certain that these 60 billion

feet of storage areas in Lambton are going to be used to the full, and that the 25 cents or so saving per thousand is then going to be distributed to the people throughout southern Ontario so gas will be available at something approaching cost.

In other words, in the southern part of the province, this whole question of the fuel board and the role that it is playing is a subject of investigation for different reasons, just the same as it was in northern Ontario, and exactly why the fuel board has not implemented some of these regulations. I hope the hon. Minister will comment on this later in the discussion of his estimates.

Hon. B. L. Cathcart (Minister of Travel and Publicity): Mr. Chairman, the hon. member goes on and on until really, we almost lose track of what he is talking about.

The hon. member for Lambton East did speak relative to this question, but mostly his argument was that these farmers were having some difficulty in settling with Union Gas in the lines.

May I say just in about two seconds that in Lambton West, where much of this storage area is, they are entirely happy with the services that have been rendered by the Ontario fuel board. As a matter of fact, I have a letter on my desk at this moment to support that, by one of the very important people down in that section, who has a storage area, and it is a matter that is being ironed out to the satisfaction of my constituents in Lambton West.

The whole story that the hon. member for Lambton East had to say the other day was simply in regard to the matter of obtaining rights for the pipe line, and may I say that, following certain further considerations when arbitrators came in there and dealt with the farmer and the Union Gas, those things were all cleaned up, everybody was happy. It was simply a matter of raising something that had happened before, and speaking on behalf of his constituents. But Lambton West is happy.

Mr. MacDonald: Well, just let me make this brief comment—I agree that what the hon. member for Lambton East was referring to was primarily this question of the pipe line going through farms and the problem of expropriation there. The shabby relationship between Union Gas and the producers of gas out in the hon. Minister's area is still a problem that has to be looked after.

Hon. Mr. Cathcart: It was raised by one man down there, and the hon. member for York South knows who is raising it. All the

hon. member is doing is washing out old linen, and he is arguing and bringing this up again just so as to get the fire all fanned up. It has all been dealt with and our people are happy, and if the hon. member for York South would just keep away from it, we will keep Lambton county in good order. We do not need him.

Hon. Mr. Frost: I may say that I fully intended this afternoon to deal with the Northern Ontario Gas Company Limited and certain of the matters that the hon. member has mentioned today. May I say to the hon. member that he is a master of insinuation and innuendo, which is always based on this "somebody said so-and-so" and "everyone knows" and "they said this" and "they said that" and so on.

Now I would just like to give the hon. member this, and may I say I have not come here unprepared. I come here to say that this government does not deal in bribes and things of that sort. I can assure the hon. member that that is not the way this government does business, and it is not the way I do business, I want him to understand that.

First of all, this matter of the Northern Ontario Pipe Lines is divided into two parts, it is divided into the problem of the investor and secondly, into the problem of the consumer. Now they are dealt with in two distinctly different ways, and by two distinctly different boards, one of which is the Ontario fuel board and the other is the Ontario securities commission.

Last summer, there was a considerable amount of publicity given to the Northern Ontario Gas Company Limited and certain shares, promotional shares, that this company had divided among certain of its directors and personnel.

I am not saying that I agree or disagree with what was done, as a matter of fact I can say that it was an American type of promotion, but here are the facts.

Basically, from a policy standpoint, may I say to the hon. member—and this has been discussed in this House times without number—that the policy is one of full disclosure as far as the investor is concerned.

Now I went through all this matter years ago before I became the Prime Minister of this province, in the days when Mr. Blackwell was the hon. Attorney-General's predecessor. It was decided that the government of Ontario should not set itself up as the arbitrator or the body that would make a decision as to what promotional

shares should be and who should get them, but the arbitrator of that should be the investor himself, and that it was our duty to see that the fullest disclosure was made, and on the strength of full disclosure then the investor could make his own choice as to whether or not he would invest in certain securities. Now, that is the basis.

Mr. MacDonald: How could the investor stop—

Hon. Mr. Frost: Now, just a moment, let the hon. member wait a moment until I come to this.

The policy of the securities exchange commission in the United States, which is probably the strictest securities commission in the world, although we think our own is pretty strict here, in matters of this sort is identical with our own, a matter of full disclosure.

Now what happened with the northern Ontario pipe line was this, their issues were underwritten by, I think, some 14 different underwriting houses in Canada, and I think 12 in the United States, in Washington and in New York. The securities exchange commission accepted the same prospectus that we accepted here, which gave full disclosure.

Now, may I say to the hon. member that this business of 46 cents a share—as a matter of fact it works out in some cases, I see right in this prospectus, to 8 cents a share—is disclosed on page 23 and 24 of that statement, published last May or June, I am not sure of the date.

The fullest disclosure is made as to who got the stock and the prices that were paid for the stock. Every bit of it is in there. I could read it all, but I will not bother reading to this House the names of the persons who got the stock, what they paid for it, the amount that was involved, the splits in the stock and everything else.

The disclosure that was made was not ferreted out of some dark corner by the hon. member for York South or some of his friends, this is a disclosure which was insisted upon by our own securities commission, and was published for the people of this province before anybody subscribed one single dollar to Northern Ontario Gas Company Limited.

I want to make that plain to the hon. member for York South. This was before it was ever qualified in this province. It had been qualified by the securities exchange commission of the United States before it was ever qualified here.

Now, any prospective investor could receive this prospectus, printed in May or June of last year; it was public property, and that is where this information came from, from a publication that was underlined and was insisted upon not only in this case but by every other promotional case by the government of Ontario and by the statutes of this province. That is the policy that has been followed for years.

On the strength of this, may I say that these shares were placed upon the market, and every investor who purchased these shares had the opportunity of seeing that these promotional shares were given, and if they did not want to buy, they did not need to buy.

At the present time, I understand that marketwise these shares are being sold for approximately the amount that the investor paid for them, in other words the appraisal of John Public and the investor of the value of these shares is just about what they paid for them.

There was full disclosure given and the investing public were in no way fooled. The representations and the information given them was factually correct in every detail.

Mr. MacDonald: May I see that prospectus?

Hon. Mr. Frost: Now, wait just a minute. I will just explain this to him. If he will listen, perhaps he will learn something. Now the second thing is this.

Mr. MacDonald: Could I have a look at this prospectus?

Hon. Mr. Frost: Oh yes, I will be glad to show it to the hon. member. In fact, I will get him a copy. There is a copy right there. If he will return that to me, I may want to use it in a moment. There is the statement, let the hon. member read it off himself.

Mr. MacDonald: I have a copy.

Hon. Mr. Frost: Well, all right then, the hon. member should have read it. If he had read it, he would have learned something. The very information that he was giving out was given out at the insistence of our own commission here. There is nothing new about that.

Now again, it is not my business to pass upon whether that was proper or improper, but that was something for the investor himself to judge before he put his money out.

Now, the second point I should like to mention is this, from the standpoint of the consumer.

Now, I would say to the hon. member for York South that some of his party members, some of them are very high up in his party, are running around saying that these shares—if he wants to call them promotional shares or watered down shares or whatever he wants to call them, it is all right with me—are going to raise the price of gas to the consumer.

I may say to the hon. member for York South that such is not the case, and that has been made perfectly plain, that has been made abundantly plain by the actions and the policies of the Ontario fuel board which says this, that the rate shall be fixed on the amount of the investment in plant and equipment and other things, and expressly excludes not only shares and promotional shares, but dividends and costs of money and everything else insofar as these companies are concerned.

Now, Mr. Chairman, this government has set out by its legislation protection for the man who buys gas. This government has first of all set out to protect the investor by giving the investor the opportunity to judge for himself what he should do. Secondly, it has set out to protect the consumer against all possible stock manipulations, by basing the rates upon the amount of investment in plant and equipment and other things that have to do with the distribution of gas.

My hon. friend might ask the question, what is that rate?

Well, I would say this, that on the investment in physical plant and equipment, 7 per cent. is allowed. Now, as a matter of fact, there was an argument that the 7 per cent. was much too little, and perhaps it was, under higher priced money, but my information from the fuel board is this, that the 7 per cent. rate, with a falling rate of interest and easier money, is probably satisfactory. It should be the business of the fuel board to adjust that rate to a rate which is fair, having regard to the amount of investment in plant and equipment. Every consumer is amply protected.

Now, sir, I will refer to the other matters that my hon. friend has raised.

First of all, may I say that the matter of the distribution of natural gas in this province was something which I myself take full responsibility for. As a matter of fact I felt, away back in 1951 and 1952, that natural gas and the distribution of natural gas in this province was one of the great big musts

of our country, and was one of the great opportunities that we have. Today, may I point out that \$1,000 million is being invested here in southern Ontario and northern Ontario, giving employment in the matter of the distribution of this new source of fuel and energy.

Now, I go back to this. I should particularly refer to myself and then to my former colleague, hon. Mr. Porter, and I do so with his consent.

The matter of negotiations concerning the bringing of natural gas to Ontario and its distribution was completely in the charge of hon. Mr. Porter and myself. In 1953, I had hon. Mr. Porter and Mr. Crozier, the fuel controller, at my insistence, visit western Canada in order to investigate the possibility of bringing natural gas here to Ontario.

On December 3, 1953, on hon. Mr. Porter's return, he was placed in charge of all negotiations concerning natural gas, and also, the administration of natural and manufactured gas presently in Ontario.

At the following session, in 1954, hon. Mr. Porter introduced the present legislation, The Ontario Fuel Board Act, to create the Ontario fuel board, and this board was established pursuant to such legislation on May 12, I think it was, 1954.

The day following, the administration of matters relating to oil and gas was officially placed with The Department of the Attorney-General, of which hon. Mr. Porter was the Minister.

Now the purpose of that was this. This matter was still in its promotional stages, and it seemed better to have it in the Department of the hon. Attorney-General, at that time, and hon. Mr. Porter was the Minister. There the administration lay until August 17, 1955, when hon. Mr. Porter became the Provincial Treasurer. At that time, the administration of the Act was transferred to The Provincial Treasurer's Department.

During all of this time, from 1953 to the present time, neither hon. Mr. Porter nor myself, directly or indirectly, either by ourselves or by our relatives or friends or by any agency, sold a single share or a dollar's worth of security in Trans-Canada Pipe Lines Limited, Consumers Gas Company of Toronto, the Union Gas Company of Canada Limited, Lakeland Natural Gas Company Limited, Northern Ontario Gas Company Limited, the Twin City Gas Company Limited, or any other corporation or company having to do with the sale or the distribution of natural gas in the province of Ontario.

I want to make that perfectly plain. Neither one of us had stock of any kind in any company having to do with the sale or distribution of gas, natural or otherwise, here in Ontario.

Now, sir, I want to come to this. I could tell all about the story of the Trans-Canada Pipe Lines, at least as it was related to me, and my preference for a private company to do that work, of my acceptance of very many conditions that were involved in that thing, including not only the federal government, but other governments in Canada, that were concerned in that proposition.

I would say that my own preference was, of course, for a publicly built line, but I point out to my hon. friends in this House that I recommended, to this House, the acceptance of the arrangement and the offer that was made, and it came to a vote in this House, I think in January or February of 1956, and my hon. friend, the member for York South, got up in his seat and voted in favour of the legislation. So I guess that my position was not so bad if I could convince him.

Mr. MacDonald: Mr. Chairman, will the hon. Prime Minister just be fair, and recall also that he indicated that if the company was not in the position to proceed with the pipe line as of May 31 of that year, he would back out of it.

Hon. Mr. Frost: I said that if the company was able to go ahead—

Mr. MacDonald: He said he would back out of it.

Hon. Mr. Frost: I did not say that at all.

Mr. MacDonald: Yes, he did.

Hon. Mr. Frost: I did not put it in that way at all. My hon. friend is the greatest man, to split hairs and trim, I ever ran across in my life. My hon. friend can split hairs and he can skate along a line, and he can trim, particularly when the honour of other people are concerned, he can always do that without involving himself too deeply. Now that is a built-in facility that he has.

Now, Mr. Chairman, I want to say this. More specifically may I say that, on February 12, 1957, Trans-Canada Pipe Lines Limited placed, for sale, debentures to the value of \$75 million in Canada and the United States, and also a great number of shares.

Previous to these issues and the sale of the same, I particularly asked that no hon. member of the government should purchase

or hold, directly or indirectly, any of the shares or any of the units of this issue, and I was assured that my request was followed completely and that no shares or no securities of this company were held by any hon. member of the government at any time. I want my hon. friend to mark that one down.

Now, I want to say this. Natural gas from the Canadian west, by way of Trans-Canada Pipe Lines Limited, has not even yet reached Ontario to any extent. I think it has reached the Lakehead by now. But long before the lines were even commenced in Ontario, I asked my hon. colleagues not to invest in any company or companies which might be distributing natural gas in Ontario. This includes Consumers Gas Company of Toronto, which is one of the oldest common stock investments in Ontario, going back practically 100 years.

I may say this, everybody knows that, in the investment field, Consumers Gas Company is an old, established concern. May I say to my friends, I asked my colleagues not to invest in Consumers Gas Company, or Union Gas Company of Canada, which is likewise an old investment company, Lakeland Natural Gas Limited, which has only issued its shares to the public, I think sometime during last summer, but at that time Lakeland was mooted because it was going around attempting to get franchises from various places, and has obtained them, particularly in eastern Ontario.

At that time Lakeland Gas had done no public financing. I also mentioned the Northern Ontario Gas Company Limited and the Twin City Gas Company Limited which likewise had at that time done no public financing. This request was made in the beginning of last year, at which time I requested all of my hon. colleagues to divest themselves of any investment that they might have in any share or security in Consumers Gas, Union Gas, or any other company of a like nature, and I am assured, sir, that such is the case.

Now, I would say to my hon. friend concerning his reference, he does not mention specifically Mr. Kelly, but that is who he refers to. I would say this, concerning Mr. Kelly.

Mr. Kelly's resignation, and his discussions with me, had nothing whatever to do with the Northern Ontario Gas Company nor any other gas company. It had to do with the fact that he wanted to engage in other types of business which were not consistent with his being a member of this government. His

retirement from this government is a matter of record. He wished to retire to contest a convention in which he wanted to support the Diefenbaker government at Ottawa. There was no mention between Mr. Kelly and myself of anything of the nature which the hon. member has mentioned.

Now I would say this, that my views were well known on it, and if Mr. Kelly was either unwilling or unable to comply with my request, not only my request but my positive direction, then of course, he did the right thing to resign.

On the other hand, I have no information of any such thing from Mr. Kelly, and I would say that any information I have in relation to this government or to my hon. colleagues is absolutely to the contrary, and I am satisfied that my hon. colleagues have carried out the directions that I have made.

I had determined this long before the pipe line business became a real issue here in Ontario, I determined that if gas was going to come into Ontario, that this government was going to be in a position to look after the interests of men, big and little, in this province, and do it without fear or favour. I can assure the hon. member that this is our position right now, and that is where the matter rests.

When the matter came up at the Lakehead in connection with the disagreement in regard to the Twin City Gas Company, I had occasion to look into that matter and I found that, I think it was the council of the city of Fort William, it may also have been the council of the city of Port Arthur, had made certain representations to the commission that stock was to be sold and made available to the people of that area.

As a matter of fact, a paragraph to that effect was inserted in the board's order at the instance of the councils at the Lakehead.

As a result of that, I discussed the matter at the time with my then colleague hon. Mr. Porter, and also with the chairman of the board. The chairman of the board notified—I have the release here which I will not bother reading—every municipality, I understand, pointing out the board's position.

I might simply paraphrase it and say this, that it outlined the responsibilities of the board, the powers that it has that were referred to by the hon. Minister, the matter of the determination of rates and how they were fixed, and how they were based upon physical investment and not upon stock values, and it referred to the application that was made

at Fort William and the evidence was there adduced, and in its concluding paragraph it said this:

If, under all circumstances the city of Fort William or any other municipality requests a review of an order of the board, the board has full power to re-hear and to alter or rescind any order that has been made.

These powers of the board are contained in section 17 of The Fuel Board Act as amended. The section reads as follows:

The board may, at any time and from time to time, re-hear or review any application before deciding, and it may order, rescind, change, alter or vary any order made by it under this Act or under any other Act or made under The Fuel Supply Act, The Natural Gas Conservation Act, or The Well Drillers Act.

The board is ready to consider any application for a re-hearing that may be forthcoming. Now the hon. member infers this—I do not know how many municipalities are concerned in this, but I suppose that there must be very many—that none of these municipalities stretching from Kenora on the Manitoba boundary down to the town of Orillia asked for a re-hearing, because the municipal officials had been bribed and had received considerations, and that is what he said.

Mr. MacDonald: I did not say anything like that at all.

Hon. Mr. Frost: I would say to the hon. member for York South—

Mr. MacDonald: Just a minute now. I rise on a question of privilege, Mr. Chairman.

Hon. Mr. Frost: No, no, just wait a minute.

Mr. MacDonald: I rise on a question of privilege, Mr. Chairman. I was referring specifically to the area under Twin City Gas between Dryden and Geraldton. To confuse it from Kenora to Orillia is a deliberate confusion.

Hon. Mr. Frost: All right, then. I will take his own words then, from Dryden through to Nipigon, there the officials were bribed, there the officials up there did not make any application for a re-hearing of this matter because they received something under the table.

Let him go and tell his candidate up in Port Arthur that that is what he said about her worship mayor Wishart and some of

the officials up there, the officials in that community, and mayor Badanai and the rest of them.

I would say to the hon. member for York South that, if he wants to make a charge like that against municipal officials, let him come here and name the time and place. I would say it is an unseemly thing to do, a cowardly thing in fact to do, to say to these municipal officials that the reason that they did not accept this proposal that was made to them—and I would say it still stands—is the fact that they are corrupt and that they do not fulfil their duty.

Mr. MacDonald: The hon. Prime Minister is twisting my words now.

Hon. Mr. Frost: I may say to the hon. member that I have not heard of one single official who is in that category, nor have I heard of any suspicion in connection with anything of that sort.

I will ask the hon. Minister here, who happened to be the chairman of the northern Ontario natural gas committee, as mayor of the great city of Timmins. I will ask him to tell this House how many offers he got for stock and money under the table to get a franchise for the Northern Ontario Gas Lines Limited.

Mr. Chairman, it is not necessary for me to go beyond this very row here to get all of the information that reasonable hon. members of this House would want in connection with the conduct, not only of hon. members of this government and of this House, but municipal officials as well.

Mr. MacDonald: I shall be very brief, Mr. Chairman, but I just want to draw this to the attention of the hon. Prime Minister in light of his production of these documents.

The *Financial Post* of May 25 made this comment, page 4:

The balance sheet of Northern Ontario Natural Gas, as of February 28, showed 730,878 non-par value shares issued of an authorized 2 million for a cash consideration of \$333,000—

and so on. This statement here goes back as far as 1953, and instead of revealing who has the shares, obviously confuses it. At the bottom it states, for example, that as of the time that this stock was put on the market, Mr. Farris had been sold 37,500 shares purchased at an average price of 8 cents of which he now owns 17,500. Where are the other 20,000? Mr. Clark's 56,049 shares purchased at a price of 12 cents, of which he now

owns only 30,000. Where is the other 26,000? Now, Mr. Chairman, this is a very simple proposition—

Hon. Mr. Frost: There is no mystery about that.

Mr. MacDonald: If the hon. Prime Minister thinks this answers the issue, let him produce the list of those who held the stock prior to the time of it being placed on the public market.

Hon. Mr. Frost: May I say to the hon. member that this stock was traded on the unlisted market to the knowledge of everybody long, long before the public issue was made. Of course, I assume Mr. Farris and those associated with him sold some of their shares.

Mr. MacDonald: They certainly have made their millions.

Hon. Mr. Frost: That may be, but it was all disclosed.

Mr. MacDonald: Did the hon. Prime Minister give the public the information as to who had the shares at that time, instead of saying "it is in this book"? It is not.

Hon. Mr. Spooner: Mr. Chairman, we started this lengthy discussion a while ago, and it rambled on to a number of interesting subjects. First, because the matter of my name and my association with the natural gas committee of northern Ontario was mentioned, I should perhaps say a word.

First, I would like to say that I was never offered any stock by anybody on the table, under the table, across the board, or over the board. I have no stock in any natural gas distribution company, producing company or any such organizations. My interest in the formation of the northern Ontario natural gas committee was firstly because, in those days, I was the mayor of Timmins, and we were interested in having natural gas available to the section of northern Ontario where I resided.

And along with the support of many other municipal mayors and reeves and members of city councils, and town and township councils, chambers of commerce and organizations like that, we formed this organization and made certain representations to the federal government and the board of transport commissioners, and in due time the route of the trans-Canada pipe line was changed from that which had first been chosen, to follow the route along which it is being constructed now, and that is along highway No. 11.

I want to assure the hon. members of the House that, in taking over the administration of the fuel board, I want to be sure each and every one is giving it very, very close attention. I have, in the last several weeks, been spending a great portion of my time in not only studying the Acts under which this board operates, but also its activities in the past, the problems which exist, and methods of solving those problems.

And I think, as I mentioned in my address this afternoon that, when I bring forth to the House the legislation which I have in mind, and upon which we are presently working, I think that we will have a proposal there which will be satisfactory to the people who are involved in these various negotiations, whether they be distributors of gas, owners of easement rights, owners of storage areas and so on and so forth.

Insofar as the municipalities are concerned, because of the fact that I was so closely associated with the municipalities in north-eastern Ontario, and many in the north-western part of the province, in this gas committee work, I feel that, knowing the municipal people, they will come to this department with problems respecting the distribution of natural gas. I would welcome them.

So far, I have had no word from any of them. I have also visited in the northwestern part of the province and the Lakehead. I visited the mayors of those municipalities there on several occasions, and I did not hear, though I was not at that moment the Minister in charge of this board, but I did not hear any complaints with the manner in which their problem of the franchise agreements with whatever particular companies there are, was dealt with.

I did not hear of any problems still existing, and I was there as late as 5 or 6 weeks ago.

Now if those municipalities—and I would like to make this a public statement—have any problems, I can assure them that the Ontario fuel board is prepared on proper application to deal with the matters that they have.

In connection with municipally owned systems, I might say that this was a matter that we studied to some considerable extent. As municipal people, we were aware of the many responsibilities that our people had to shoulder respecting their areas, providing schools, providing pavements, water and sewer services, public buildings, other public services and so on, and we came to the conclusion—and this was the conclusion of

the great majority of the people in our organization—that for the beginning, certainly until natural gas was widely distributed throughout a municipality, that a municipality should not use its municipal credit to provide a public utility which would be of service only to certain persons amongst the taxpayers.

It differs from Hydro power, for instance, it differs from a water supply, and all of these other municipal services that are available to everyone and everyone does use. But, just because natural gas is going to be distributed in a municipality, it does not mean that everyone in the municipality is going to use it. Obviously, it will not be available to all persons in a municipality because of certain geographical or other reasons.

And so that was our thinking at that time, that it would not be fair and proper for the credit of a municipal corporation to be used to provide some service that was not of general benefit to all of the ratepayers, and so that is why I think, basically, no municipalities in that area have gone in for operating a municipally owned system.

So I want to assure the hon. members of the House that many of them have studied it very, very closely. I think, Mr. Chairman, that this is all I have to say at this time.

Mr. G. C. Wardrope (Port Arthur): I have listened with a great deal of amazement to the remarks of the hon. member for York South, and my information of our municipality in Port Arthur is this, that they did look into the problem of getting into the gas business, and found that the cost was so tremendously high of piping our city and our neighbouring municipalities, that it was beyond their power.

If they borrowed tremendous sums of money for that, it would certainly be detrimental to them in borrowing for much more necessary improvements for the people.

Now, what they did have in mind was this, getting a company as far as possible owned by Canadians, having some local directors on the board, having the first offer of shares offered, for a period of two weeks, to local citizens to purchase, and also getting the lowest possible price on gas for the Lake-head city.

Now I think that all these things were done, and some 400,000 shares of Twin City were bought by our local citizens, and are being held by them, and they are very happy about it.

Now, to date, to show the success of our company, the Abitibi Power and Paper Com-

pany have signed a contract for gas, the Canada Malting Company built the tremendous addition to their plant, due to their being able to get gas. The Great Lakes Paper Company are now negotiating for gas. Dryden Paper Company are taking gas, and it has been a great incentive to the building up of our district and to the attracting of new industry, which is now asking when gas will be available.

Gas is now available in the city of Port Arthur, the company is working, they have their sales offices open in both cities, and are in the process of building a new head office building in Fort William.

Now, of course, there was controversy, as there always is over these things, much of it, but now the people are happy with it, and I would like to say to the hon. member for York South, that they will continue to be happy as long as he stays out of our area, and quits fanning these flames of dissension. They are happy with their gas company and, as I said last year, Mr. Chairman, the hon. member for York South deals continually in chicanery and circumlocutions, and I repeat it again this year.

I certainly do not want my area brought into a derogatory category when he is talking in the manner in which he was this afternoon. We look after our own affairs up there, and we will be happy and prosperous and we will grow, if the hon. member for York South will just keep out of our affairs.

Votes 1,101 and 1,102 agreed to.

Hon. Mr. Frost: Mr. Chairman, I am anxious that we should adjourn, on account of the press dinner tonight.

Hon. Mr. Frost moves that the committee do now rise and report certain resolutions.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: The committee of supply begs to report that it has come to a certain resolution and begs leave to sit again.

Report agreed to.

Hon. Mr. Frost: In moving the adjournment of the House, may I say that tomorrow we will proceed with the balance of the estimates of The Department of Mines.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5.50 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Tuesday, March 11, 1958

Afternoon Session

Speaker: Honourable The Rev. A. W. Downer

Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, MARCH 11, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. J. A. Maloney, from the standing committee on private bills, presents the committee's sixth report and moves its adoption.

Your committee begs to report the following bill without amendment:

Bill No. 37, An Act respecting the town of Almonte.

Your committee also begs to report the following bills with certain amendments:

Bill No. 3, An Act respecting St. Peter's Church, Brockville.

Bill No. 25, An Act respecting St. Michael's College.

Bill No. 30, An Act to incorporate the society of professional directors of municipal recreation of Ontario.

Bill No. 41, An Act respecting the city of Hamilton.

Your committee would recommend that the fees less the penalties in the actual cost of printing be remitted on Bill No. 3, An Act respecting St. Peter's Church, Brockville; Bill No. 25, An Act respecting St. Michael's College; Bill No. 12, An Act respecting the Royal Victoria Hospital of Barrie; Bill No. 16, An Act respecting Waterloo College associate faculties; and on Bill No. 1, An Act respecting Windsor Jewish communal projects.

Your committee would recommend that rule No. 63 of the legislative assembly be suspended to extend the time for receiving reports from the committee on private bills, to Tuesday, March 18, 1958.

Motion agreed to.

Mr. Speaker: Motions.

Hon. L. M. Frost (Prime Minister) moves that, commencing on Thursday next, March 13:

This House will meet each day of the week from Monday to Thursday inclusive, at 2.00 of the clock in the afternoon, and on each Friday at 10.30 of the clock in the forenoon for the balance of the present session. On each Friday, the House will adjourn for the luncheon interval at 12.45 of the clock. We will resume at 2.00 of the clock and adjourn at 4.00 of the clock in the afternoon, and that rule No. 2 of the assembly be suspended so far as it might apply to this motion.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, this is an obvious attempt on the part of the government to speed this session up. It may be that they intend to speed it up unnecessarily. It would be difficult to understand why there is so much haste desired on the part of the administration, unless they want to get through in ample time so that the shock troops can be available for the final onslaught, as they see it, before March 31. But what is my hon. friend's conception of the deadline so far as the conclusion of the session is concerned?

Hon. Mr. Frost: Mr. Speaker, the hon. leader of the Opposition rather disconcerts me when he talks of the shock troops and the final assault. I suppose that he is regarding the battle on March 31 as the troops, in this House, meeting the final charge of Napoleon's old guard at Waterloo or something of that sort.

But may I say to my hon. friend that what we are doing now is really no different than in other years. We have been in session now, I think, about 5 weeks, and usually at this time of year, when the committee work begins to come to an end, we have meetings at 2 o'clock in the afternoon. That is not new.

Now, I would say that there is an innovation in the Friday morning matter, but it is not a very great innovation for this reason, that we are providing that the House will terminate at 4 o'clock. Now we did, in other years, sit through to 5 and sometimes 5.30, and we are changing that, so there is not really any difference at all.

I would say to my hon. friend that, as regards the end of the session, I have been

enjoying myself so much that I did not want it to end, and I never thought of such a thing. We will have to wait and see how the work progresses.

Mr. D. C. MacDonald (York South): I want to add my word of protest to that of the hon. leader of the Opposition regarding what is happening in this House.

Hon. Mr. Frost: He did not protest. You are the one who protested.

Mr. MacDonald: Oh, there was a protest that the hon. Prime Minister did not miss, despite the fact that he buried it behind that smile.

I would like to remind the hon. Prime Minister, Mr. Speaker, that on the second day of this session, I asked him a question as to whether there was any possibility—granted the preoccupation with the election on March 31—that there might be an adjournment, and whether we could conclude the business in an orderly fashion instead of a rushed fashion.

I do not happen to have the hon. Prime Minister's exact words before me at the moment, but his reply was to the effect that we had our business to do here, we would go ahead in the normal fashion to do this business, we would have nothing to do with the election.

Now, this House began 4 or 5 days later this year than it did last year, and we are now at least a week or 10 days in advance of starting morning sessions over what it was a year ago. We have two or three estimates being thrown at us in a single day.

A year or two ago, the hon. Prime Minister used as an argument, when the remuneration of hon. members of this House was increased and I supported him on it, that we should move, he felt, towards the proposition of having fall and spring sessions, so the business of this province would not be rushed through in this fashion.

Instead of doing that, he is doing the very opposite. He is rushing it still more. The proposition that a province like Ontario, with a budget of \$600 million more than the federal budget back in the 1930's, should be rushing its business through in something like 6 or 7 weeks, I suggest, Mr. Speaker, is not doing the business of this province in an adequate fashion.

Hon. Mr. Frost: I will say that there is no indication of a rush. I think that the person who is getting into a rush is the hon. member for York South.

As a matter of fact, we have not been rushing the sessions, I think that we have only had one night session this year and he says the business of this House is being rushed. We have not met at 2 o'clock on any of the ordinary afternoons of the House until this Thursday, and still he says the House is being rushed.

Now, I would say to the hon. member that he had better sit down and look things over. We are not rushing things at all. We are going ahead in the ordinary course.

Motion agreed to.

Hon. G. H. Dunbar (Provincial Secretary): I beg leave to present to the House the following:

Second annual report of the Ontario water resources commission for the year ended December 31, 1957.

Mr. Speaker: Introduction of bills.

THE UNIVERSITY OF TORONTO ACT, 1947

Hon. W. J. Dunlop moves first reading of bill intituled "An Act to amend The University of Toronto Act, 1947."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the purpose of this bill is to increase the membership of the board of governors of the University of Toronto from 24 to 32, in order to provide for the expansion of the university, and for representation outside of that which is now being given.

THE VETERINARIANS ACT, 1958

Hon. W. A. Goodfellow moves first reading of bill intituled, "The Veterinarians Act, 1958."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this Act that I have just introduced is a general revision of the existing Act which has not been revised since 1931. The change of conditions and the growth of the profession make it desirable to bring the Act up to date and more into line with the Acts governing other professions.

I might say that in this Act there are ample exemptions to protect farmers from doing certain things with their own livestock and poultry; at the same time there is provision for the veterinarians under this Act to discipline their own profession, and this Act of course will be referred to the agricultural committee in due course.

THE CHARITABLE INSTITUTIONS ACT, 1956

Hon. L. P. Cecile moves first reading of bill intituled, "An Act to amend The Charitable Institutions Act, 1956."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, at the present time a provincial subsidy based on operating costs is paid in respect of all types of charitable institutions. This bill continues the same subsidies for all charitable institutions except for those specified as homes for the aged, and provides a new basis for a subsidy for homes for the aged.

SERVICES OF HOMEMAKERS AND NURSES

Hon. Mr. Cecile moves first reading of bill intituled, "An Act to provide for the services of homemakers and nurses."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill is designed to provide services in homes in cases where hospital and other institutional care might otherwise be required.

THE PUBLIC COMMERCIAL VEHICLES ACT

Hon. J. N. Allan moves first reading of bill intituled, "An Act to amend The Public Commercial Vehicles Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this Act contains 5 small amendments. One is to define the Minister and department, changing it to the Minister of Transport rather than Highways. Others are to define public commercial vehicle; to set out clearly the definition of an urban zone as it applies to two adjoining urban municipalities.

Then there is an amendment to make clear that a person who advertises to arrange transportation of goods must be licenced to perform such transportation. That means that a hauler with an "H" licence should not advertise to haul class "A" goods.

Also a new section provides that the Minister may require a corporation to present any transfer of shares to the board for approval, and provides that any substantial transfer of shares may be deemed a transfer of all operating licences. This is to enable the board to inquire as to who owns certain

companies. Also, it provides that the Honourable the Lieutenant-Governor-in-Council can prescribe the conditions required on a bill of lading.

THE PUBLIC VEHICLES ACT

Hon. Mr. Allan moves first reading of bill intituled, "An Act to amend The Public Vehicles Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill has the same definition, as far as Minister and department are concerned, and the same section referring to public vehicles as was mentioned in The Public Commercial Vehicles Act amendments.

THE ONTARIO HIGHWAY TRANSPORT BOARD ACT, 1955

Hon. Mr. Allan moves first reading of bill intituled, "An Act to amend The Ontario Highway Transport Board Act, 1955."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this is complementary to the other two bills.

CONTROL OF AIR POLLUTION

Hon. M. Phillips moves first reading of bill intituled, "An Act to provide for the control of air pollution."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, first of all I want to congratulate the select committee on air pollution under the chairmanship of the hon. member for High Park (Mr. Cowling). This committee made a complete investigation and, during the 1957 session of the Legislature, brought in an outstanding report. In the main, we followed the recommendations given in that report.

However, we were unable to accept one recommendation. That was the setting up of a commission which, in our opinion, would have delayed the establishment of an efficient air pollution programme for Ontario.

We decided that, if we really wanted to get down to business, then our policy should be to set up a special branch for this purpose under the division of industrial hygiene, the director of which is Dr. J. G. Cunningham.

We were very fortunate in obtaining the services of Dr. C. M. Jeffcott, who is one

of the few men having the necessary scientific qualifications as well as the experience necessary to fill a post of this kind. He has already obtained the services of 5 well qualified men: 1 chemist, 1 engineer, 1 physicist and 2 laboratory technicians.

Our experience so far would indicate that our greatest problem will be presented by air contamination from industry, because each type of industry is an entity unto itself. The other type of air pollution is caused by combustion, or really I should say incomplete combustion, which probably causes 70 per cent. of all air pollution.

In exploring the situation in Pittsburgh, we have found that they had dealt only with the problem of combustion, now they are doing a lot of work on industrial air pollution and have solved certain of the problems, but not too many.

Now, may I say that I have had Dr. Jeffcott place, in my office, for two weeks, one of our meters which measures the amount of pollution in the air. I would like to ask any hon. member of the House to come over to my office and we will explain it to him. If I am not there, I will see that someone else is available who can do it.

Now, the main features of the bill are as follows:

1. To provide for the control of air contaminants of all kinds;
2. to authorize the Minister of Health and universities to carry on research in air pollution problems;
3. to authorize the Minister of Health to assist municipalities in the development of air pollution control programmes and in the preparation of air pollution control by-laws;
4. to empower municipalities to pass and enforce adequate air pollution control by-laws;
5. to empower any number of contiguous municipalities to provide for a staff on a share-cost basis to administer and enforce their respective air pollution by-laws;
6. to give the Minister of Health powers similar to those given to municipalities in order that he may control, by means of regulations, air pollution in territory without municipal organization.

Mr. A. H. Cowling (High Park): I would like to thank the hon. Minister for his reference to the select committee on air pollution and smoke control, and at the same time I would like to congratulate him for his fast action on this matter. It is less than a year since we submitted our final report to the

House, and now we have an Act which I think is a far-reaching one, and will go a long way toward providing the citizens of Ontario with clean air.

It is the only Act of its kind in any of the 10 provinces in Canada. We are taking the lead in this important programme of air pollution control, and I would just like to say again how much we appreciate the fast action by the hon. Minister of Health and the staff he has organized to carry out this far-reaching programme.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, about the board of supervisors which the municipalities would provide on a share-cost basis, I wonder if the hon. Minister would elaborate on that a little? What does he intend to do about the share-cost basis?

Hon. Mr. Phillips: Mr. Speaker, I intend to give a fuller explanation of this bill on second reading before it goes to the health committee.

THE DAMAGE BY FUMES ARBITRATION ACT

Hon. J. W. Spooner moves first reading of bill intituled, "An Act to amend The Damage by Fumes Arbitration Act."

Motion agreed to: first reading of the bill.

He said: Mr. Speaker, this bill contains two features. First, the scope of the Act is broadened to include companies engaged in the manufacture of sulphur or sulphuric acid for commercial purposes, and second, the maximum sum that may be collected annually from the companies concerned to pay for the expense of administering the Act is increased from \$20,000 to \$30,000.

Mr. Cowling: Mr. Speaker, before the orders of the day, may I say I have had several calls in connection with the new licence plates for automobiles. I think the hon. Minister of Transport (Mr. Allan) has certainly set a precedent here, by stating a deadline which is Wednesday, March 12, and staying with it.

But at the same time, there may be some extenuating circumstances this year that we have not had in other years. To name one, of course, it is the necessity of either proving financial responsibility before getting the licence plates or paying the \$5 additional fee into the unsatisfied judgment fund.

There are many, many people, I know, in Toronto today who do not have their new

licences, and I suppose it is just human nature to put these things off until the last moment.

I was just wondering if the hon. Minister of Transport is going to give any consideration to the possibility of an extension at this time?

Hon. J. N. Allan (Minister of Transport): Mr. Speaker, I may say that it is recognized that there are line-ups at the licence-issuing offices today, and we regret that such is the case. This matter of waiting until the last few days before obtaining licences, each year, appears to be a problem that we have not made very much progress with.

After a great deal of discussion this year, it was decided that we would announce the final date at the beginning of the issuing period, which we did, and which is almost the identical date of the final date last year. It is strange how people forget.

Any complaints that I have received suggested that we extended the date last year to March 31, which is not correct. It was March 15, and it has never been extended to March 31.

It seemed, after a great deal of consideration by the officials of The Department of Transport, that just as Christmas comes on December 25 each year, and because Christmas shopping is not necessarily completed before that date, it is recognized as a date, and the people plan their shopping to suit that date.

Now, we feel that much greater progress will be made if a definite date is set in the beginning, and that we hold to that date. It is recognized that this year there will be more difficulties than would ordinarily occur, because of the great number of people who expected that the date would be extended.

I can hardly think that the insurance matter has been of any great import, for the reason that last night, when the doors were closed in the east block, everyone who was in the building at 5 o'clock had their licences by 5.30. Now, there was quite a long line, and if that number could be served in that period of time, it would indicate that there was not a great deal of holdup in that connection.

We have given definite assurance from the beginning that March 12 would be the final date. With the establishment of a new Department of Transport, we would like to establish the reputation of keeping our word, and I may say that it is not our intention to extend the date further.

During the period of issuing, we have spent a considerable amount of money in advertising to state that this would be the final date, in newspapers, on the radio, on television. In addition to that, there has been the opportunity for anyone, who wished, to mail in his application, and we have, each day, completed the sending out of the licence plates for every application that was received on that day, and it is expected that we will continue to do that.

So, although there may be some grief this year, we feel confident that finally this will improve the matter of issuing licences and the great pile-up that comes each year in the last two days of the issuing.

Hon. Mr. Frost: Mr. Speaker, in looking into that matter, may I point out to the House that last year the final date was March 15, this year it is March 12. The calendar dates of the days of the week made the difference. I say that in past years we extended the time, and this was subject always to criticism here and elsewhere as to why this was done. The deadline was really January 31, then that would be extended by one or two extensions to March 15.

Now this year, on January 1, the hon. Minister announced that it would be March 12, and that there would be no extension.

Now there is the situation. I point out that there apparently could be a pile-up on March 12. Now I point out to you, Mr. Speaker, that what we did in other years, perhaps, was not so bad as some people—some commentators and some radio people—said it was. As a matter of fact, it was a practical way of warning people of the date by which they had to buy their licence plates.

Now we have followed the advice of very many people, we have set the date and I do not think the date can be changed.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost moves that the Speaker do now leave the chair, and that the House resolve itself into the committee of supply.

Motion agreed to; House in committee of supply.

ESTIMATES, DEPARTMENT OF MINES (Continued)

On vote 1,102:

Mr. A. Wren (Kenora): Mr. Chairman, before we carry on that vote 1,102, I would like to make some remarks under 1,101 in the general main office expenditures of the department, under which we usually discuss

some of the things that have to do with the functions of The Department of Mines.

Yesterday, the discussion on these estimates rather got off the track, when certain other matters were brought up which had to do with pipe line construction across the northern part of the province.

At the outset, Mr. Chairman, I would like to make this observation as a result of some telephone conversations I had this morning.

Yesterday, the hon. member for York South (Mr. MacDonald) made some suggestions that there were municipal officials between the town of Dryden and, I believe, Geraldton, whom he suspected—or had information to lead him to suspect—of having accepted some sort of emolument to effect franchises with gas line companies.

Now Dryden happens to be—

Hon. Mr. Frost: "Bribe" was the word.

Mr. MacDonald: I did not use that term. That is the hon. Prime Minister's term.

Mr. Wren: Well, the bribes were inferred, and I want to say this, that the town of Dryden is in my constituency and the mayor of Dryden is a person who has been well and intimately known to me for the past 20 or 25 years. Those on the council of the town of Dryden, and on all the utilities boards and all the utilities committees and the Hydro commission, are men who are, in the majority, I would think at the present time, union men employed by the Dryden Paper Company and other industries in and about the town.

I have never known these men to be of anything but the highest reputation, and I want to say that the people of the town of Dryden, and the residents of the constituency of Kenora generally, are disgusted that this kind of insinuation was made about the character of these people.

I would say to the hon. member for York South that, if he has any information of any official in the provincial constituency of Kenora who accepted any bribes or suggestions of bribes, or purchased any stocks at what might be called cut-rate prices, or made any overnight profits, I would challenge him now to name those people. I would think it would be the fair and the proper thing to do.

Now, I want to say something else in this connection. I am sorry my hon. friends from Port Arthur (Mr. Wardrope) and Fort William (Mr. Mapledoram) are not in their seats. I was one of the prime movers, as the

hon. Provincial Secretary (Mr. Dunbar) will remember, in the organization of the Northwestern Ontario Municipal Association. I was one of those who did most of the organizing, and was secretary-treasurer of that organization for quite a number of years.

Within the entire framework of that organization, including the cities of Port Arthur and Fort William, and right up and down the northwestern section of the country—and I spent some 15 years in municipal affairs in that part of the country—I have never known of any municipal official, elected or appointed, who had anything to do with a situation of this kind. I think that the hon. member for York South, in his official capacity as leader of the CCF party, might be chastized by the president of the CCF organization in the Kenora riding, as making "character assassinations," to use the words of the president of the CCF organization in that riding.

Mr. MacDonald: With regard to the hon. member and his conscience—

Mr. Wren: Well, I do not know. Anything that I have said, I will establish, and I would challenge the hon. member right now to show if he is a man of any courage and any veracity. I will stake my seat if he will stake his.

If he can produce the name of any municipal official in my constituency who took any bribes or took offers of any bribes, to make any deals with a gas company, I will put my seat right on the line right now. Will he put his?

Mr. MacDonald: Mr. Chairman, the hon. Prime Minister led off on the proposition of bribes. I never once used the word "bribe". This is his interpretation. I said that there was a private distribution of stock by Northern Ontario Natural Gas throughout that area and I asked the hon. Prime Minister to investigate and reveal to whom this stock went.

Now, if the hon. member wants to twist that into bribes, let him just go ahead, but let him not accuse other people of innuendoes and misrepresentations when indulging in this kind of thing.

And why is this hon. member up on his feet when just about two weeks ago he made some charge about Tories supporting a CCF candidate in 1951? What he is now referring to, Mr. Chairman, is the fact that that candidate has died and his closest worker has died. Both men were known very well, Ralph James of Kenora and A. R. Askell who, for something like 40 years, was reeve of a municipality, the name of

which I have forgotten for the moment. And those two men's reputations will stand unchallenged by any kind of slur such as the hon. member for Kenora made in this House, and the challenge has been put up to him in his own riding.

An hon. member: He is just throwing dirt around, that is all.

Mr. Wren: Mr. Chairman, I do not have to have the hon. Prime Minister of the province support my statements here today or support the statements I made the other day in this House about the subject being discussed now. I distinctly heard the hon. member for York South say yesterday that shares were passed over or under the table, or in some fashion, into the hands of municipal officials of my constituency to grant concessions to these gas companies—does he say that is right?

Mr. MacDonald: I said there was a private distribution of stock prior to the public sale.

Mr. Wren: Well now, who is it?

Mr. MacDonald: That is what I want this government to reveal.

An hon. member: Why does not the hon. member for York South reveal it?

Mr. Wren: Well, it is obvious, Mr. Chairman, and I want to say this regarding the inference which was just raised now about another matter I mentioned a couple of weeks ago. I am willing to produce any of the evidence the hon. member wants, to substantiate what I said.

Mr. MacDonald: I challenge him, go ahead and produce it.

Mr. Wren: Well, will the hon. member do the same thing as I did?

Mr. MacDonald: Never mind.

Mr. Wren: Will the hon. member resign his seat if I can produce it?

Mr. MacDonald: No.

Mr. Wren: I would be glad to get rid of the hon. member.

Mr. MacDonald: The hon. member will get rid of himself if he keeps this up.

Mr. Wren: Well, I am not too concerned about that.

Mr. Chairman, I do want to carry on, now, in the absence of any explanation of these remarks which were made about people

in my constituency, with some remarks about The Department of Mines in general.

I do want to compliment the new hon. Minister of Mines (Mr. Spooner) in the address he made to the House yesterday, and I feel that it was rather unfortunate that, in his first address to the House, the publicity which might usually have been attendant upon his remarks, in the rather interesting presentation he made, was buried in the exchange which took place in this assembly yesterday.

He has come to preside over a department which is genuinely interested, I think, in the development of the north country, and along that line I want to direct some remarks to both the hon. Minister and to the hon. men responsible for the government of this province, having to do with the natural resources industries. Mining, of course, is one of those industries.

I submit, Mr. Chairman, that the provinces in this country, particularly since they control a great deal of the corporation tax structure, should be dedicated to the principle of job creation, and I feel that a study of job creation in this province should be made, starting particularly with the natural resources industries.

Now in saying that, I repeat today what I said last year, but I want to enlarge a little more on what I did say last year about the corporation taxes on the natural resources industries being too high.

I repeat that statement. I voted against the corporation tax increases last year and, if they were proposed this year, I would similarly vote against them. I do not agree with the hon. member for York South and his party policy that corporation taxes in regard to these industries should be further increased. It would plainly and simply put thousands more men and women out of work.

I think the step forward is going to have to be taken at one time or another in all industry but beginning with the natural resources industries, there should be a reduction in their corporation tax structure.

I believe, Mr. Chairman, that the royal road to socialism is built on the stones of high corporation taxation. The socialist seeks to tax beyond the point of no return, and thus lay the foundation for the unemployment and the despair which will elect him to office. Then the *status quo* is removed and everything is fine for socialists. From that plateau we develop the dictatorships. Call it communism, fascism or what have you,

particularly in European countries, they had their springboards in socialism.

Now I submit, Mr. Chairman, that in the natural resources industries the corporations tax is not only too high, it is discriminatory and in some sense double taxation. This business of levying high taxes and then returning it to municipalities and other areas in the natural resources field is to my mind a rather silly effort, for much of it is lost—with the exception of the political effect in the collection—in the transfer and the re-transfer of these funds.

Better still, I think, we should begin with the natural resources industries in particular, and industry in general, and reduce corporation taxes at the rate of perhaps 2 per cent. to 3 per cent. a year, from its present levels of 52 per cent. down to perhaps 40 per cent., provided the difference in this taxation is used in capital expansion.

I believe this, that low tax rates which are productive will fill the Treasury coffers to a greater extent than they are filled today, if it is worked out over a period of 5 or 6 years.

I suggest to this House, Mr. Chairman, that there in that avenue lie the jobs, the security, and the freedom necessary to this province and to this nation.

That one step, if it were announced today—and when I say today I mean within a reasonable period of time, as I realize these things cannot be done overnight—would reopen many of the closed mines, would stimulate development programmes, the backwash of which would flow from the doorstep of industry into the homes of those needing employment today.

Further it would not only work itself back to the mines and the forests, but right into the basic industries of the province.

I was interested, after I compiled these notes, in reading some remarks contained in an editorial in *U.S. News and World Reports* which I feel is a rather authoritative and worthy news reporting agency in the United States.

In their issue dated March 14, they had this to say, which I thought rather interesting, and I quote:

The worst mistake we can make in our tax system is in the field of corporate rates. Here we expect the enterpriser, who takes the risk of everyday business, to be enthusiastic about his position as a minority partner.

There isn't much incentive felt in being a 48 per cent. partner when the govern-

ment takes the major share, 52 per cent., of all the net income. Apart from the psychological discouragements of such a disproportionate partnership between the government and business men, this system fails to build the necessary surpluses for modernization and expansion of plants.

And that points out in a few words, better than I could, just what I was setting out to say in my remarks about the estimates of this department.

I have thought for a long while, I believe ever since I came into this Legislature, about the need for developmental investment in the north country, and I think the reduction of the corporations tax should be extended to all industry in this province. But I feel the ideal place to try to test the soundness of a theory of this kind is in our mines and in our forests.

I am convinced, as I said before, that if we can lower tax rates and establish tax rates which are productive, we will secure returns far more than our wildest dreams at the present time. I am not suggesting for a moment that the reduction in taxation, through the application of this principle, be given over to people or to individuals. I am suggesting here that reduction in corporation taxes, industry in general and natural resources in particular, should be restricted to the proposition that any reduction in taxation is applied to capital expansion, plant improvement and so on.

I would commend to the new hon. Minister of Mines, in his deliberations over the next year or two, that he take the suggestion under advisement, and consider the effect which a proposition of this kind would have on the mining industry in general.

I will pass it along later to the hon. Minister of Lands and Forests (Mr. Mapledoram) and to the hon. Provincial Treasurer (Mr. Frost), to see if we can find some other means to maintain ourselves at full or near normal employment, without having to resort to occasional splurges of public works and monies, if with a proper corporate tax structure, we could develop our basic industries and with it industry in general across the province.

Hon. Mr. Spooner: Mr. Chairman, before approving this particular vote, I would like to assure the hon. member for Kenora that his remarks this afternoon will be studied. I am sure he realizes, as I do, that this is a very involved matter, but nevertheless I can assure him I will give it consideration.

Yesterday, Mr. Chairman, in the House one of the hon. members asked for the reason why the mining tax was estimated to have increased by only \$1.65 million while the value of mineral production was estimated to have increased by \$100 million, and tax rates have increased on profits of over \$1 million by 3 per cent.

The department has received no tax returns as yet, and as a result no actual figures are available as to mining costs, development expenses, and so on. Our estimates of taxes are based on figures of expected profit, provided by the companies last fall, and some revised figures provided in January.

It is, however, quite possible for the mineral production to increase while at the same time taxes might not increase and might even decrease.

One of the reasons for this is that a great number of companies which paid taxes in 1957 will pay less tax in 1958 because of the higher cost of operation and the carrying out of a more extensive development programme to find ore for the future. Exploration and development costs are allowed in full as an expense in the year they are incurred.

Of the preliminary estimate for the increase in production, almost \$70 million of that is in the uranium fields, the uranium mines, and so uranium will account for the great bulk of the increase which I mentioned in my speech on the estimates yesterday.

It would appear, Mr. Chairman, that the first year of operation of all the uranium mines has proved much more costly than had at first been anticipated. For instance, Consolidated Dennison Mine, in the Elliot Lake area, started production with the No. 1 shaft, although it was intended to be only a development shaft. However, it was necessary to use this shaft until the main or No. 2 shaft was completed, and connected with the No. 1 shaft some 2,800 feet distant.

Ore from the No. 1 shaft is required to be trucked more than half a mile, and this will continue until sufficient development has been completed in No. 2 shaft area to warrant using the shaft for production. Handling ore in this manner has proven to be most costly.

I am using that one mine as an instance of how these things happen. It is difficult also to estimate closely all mining costs prior to production, and this has been the case in many new mines in Ontario. I am sure the hon. members will realize this fact.

In addition to all the development work occurring in a year, permitted as an expense under The Mining Tax Act, the development work necessary to connect No. 1 and No. 2 shafts represented a very huge investment.

Capital costs in all cases exceeded the original estimates, and as a result the allowances for depreciation and processing will be much greater. All of these factors tend to reduce the taxable profit of these mines even though more uranium was produced than in 1956.

Now, the increase in the tax rates affected only 7 companies which operated prior to 1957, two of these are golds, two nickel and copper, two iron and one salt. The golds will show an increase in tax, as will the two nickels and the salt, but the irons, due to a sharp cutback in the demand for iron ore, will show decreases amounting to about \$400,000.

Of the 6 uranium mines which came into production in 1957 or late 1956, only one is affected by the increase in tax rates, and two others will pay taxes totalling \$45,000. Three others will not be taxable for reasons stated before.

Hon. members will therefore see that, although the mineral production was up mostly due to the uranium mines, the difficulties of the first years of production of these mines have been so costly that they have offset the normally expected return to the government in profit tax.

I thought the hon. members of this House would like to have that information, Mr. Chairman.

Mr. MacDonald: Mr. Chairman, I appreciate what the hon. Minister has said. This throws some light on this question of why the revenues dropped, but is this the full explanation as to why an expected revenue of \$17.5 million has come out only at the estimated level now of \$11.1 million? Last year the revenue was \$8 million, and the department expected to more than double it; yet instead of \$17.5 million, it is only \$11.1 million. This is such a serious drop that I have difficulty in figuring how even the reasons that the hon. Minister has given can account for it all.

Hon. Mr. Spooner: Mr. Chairman, I am sorry to say that I cannot at this time give a more complete explanation than I have. I had no knowledge of how the estimates were arrived at last year. I think that the department was just a little over-optimistic in their

computation of their estimates. I hope that we will have better estimating this year.

Vote 1,102 agreed to.

Mr. A. R. Herbert (Temiskaming): On votes 1,102 and 1,103, I would like to ask the hon. Minister if he would investigate the possibility of his department having his mining records issue claim tags to prospectors before they leave for the back country to stake claims. As the practice is today, prospectors stake claims, then return to the recorder's office, register their claims, obtain the tags and return again to the bush and tag their claim. If this other system can be adopted, it would save considerable travelling and expenses, and I hope the hon. Minister will give it every investigation.

Also, at this time, I would like to congratulate him and his department for their assistance at all times in all phases of the mining industry.

Hon. Mr. Spooner: Mr. Chairman, in answer to the hon. member for Temiskaming, I would say that this matter that he has suggested, along with a number of other matters concerning prospecting generally, are presently being investigated. I had hope that I might be able to make some statement to the House in connection with that particular point, because this is a matter which has been discussed by prospectors' organizations at various times.

There are some problems. The whole situation is not quite as the prospectors at times would lead one to believe, although they are not trying to mislead us; I do not mean to say that. But there are questions and answers on both sides of that proposition.

However, I promise that the matter will be given very close attention in the hope that we can do something to help to relieve that situation, because it can be rather costly for a prospector who has to go a considerable distance into the bush to stake his claims, then come back and record, and get his tags and so on and so forth.

Votes 1,102 to 1,104, inclusive, agreed to.

On vote 1,105:

Mr. F. R. Oliver (Leader of the Opposition): I would like to hear from the hon. Minister as to whether the International Nickel Company is making headway in controlling the output of these damaging fumes. As I understand it they could, if they spent enough money, really control the output. Are they making progress toward the eventual elimination of the fume damage?

Hon. Mr. Spooner: I might say to the hon. leader of the Opposition that I have visited Sudbury on several occasions since last summer, and I have always heard of sulphur fumes damage in that area because I come from around there.

I would say that the International Nickel Company is continually adding to its equipment for the recovery of sulphur fumes, or of sulphur from the fumes, and I think that is borne out by the fact that the claims are being reduced in number and severity. I would say that there is a real and an honest effort being made to control that situation.

We have introduced in the House a bill to provide an amendment to The Sulphur Fumes Arbitration Act, and the additional money in the bill will be used for the purpose of establishing more testing equipment, not necessarily in the Sudbury area, but in other areas in the province.

Mr. Oliver: Could the hon. Minister tell me the dollar value of the claims paid this last year?

Hon. Mr. Spooner: I am sorry that I cannot give that information now, but I could get it a little later if the hon. leader of the Opposition would like to have it.

Mr. T. D. Thomas (Oshawa): I can remember, when the air pollution committee visited Sudbury two years ago, a brief was presented by the International Nickel Company at that time. They stated the reason for not installing air filtration equipment was that they could not find a ready market for the sulphur.

Now, frankly, I believe that was a very poor argument. A wealthy company like International Nickel could afford to spend a great deal of money, but with the uranium mines taking up a greater amount of sulphur today I wondered if we could hold out any prospect of some alleviation in that respect in the future.

Mr. E. P. Morningstar (Welland): Mr. Chairman, may I say to the hon. members that the—

Hon. Mr. Spooner: There is at the present time considerable sulphur being used in the new plant at Cutler, which is producing sulphuric acid for the uranium mines. As I understand it, this market in the uranium mines was sort of let out for tender, and International Nickel and Noranda apparently both bid on it, and Noranda's tender was accepted.

Now, I do not know how much sulphur could be obtained from the International Nickel plant and what use could be made of it. That is economically a not too dependable type of business apparently.

Actually, the plant at Cutler has dealt with the idea of producing sulphur from a sintering process for iron ore, but at the present time they are importing raw sulphur or brimstone, and can do that more economically than manufacturing it there through the sintering process.

Vote 1,105 agreed to.

On vote 1,106:

Mr. H. Worton (Wellington South): I was going to ask the hon. Minister if he could explain this. I believe yesterday, when he was in his explanation of the department, he went into 1,107, I am sorry 1,106—

Mr. Morningstar: May I complete what I started to say on vote 1,105, I would just like to say at this time that people in the Port Colborne area and Welland county are very grateful to the hon. Minister of Mines for having air pollution equipment installed in that area, to measure the impurities in the air. As we know, the farmers' crops have been damaged there for some years, and they were very unhappy about the situation. We do hope to have that clarified now, and are very pleased indeed.

Vote 1,106 agreed to.

On vote 1,107:

Hon. Mr. Frost: Mr. Chairman, in connection with this vote I think its the proper place for me to say something about the outburst of the hon. member for York South yesterday. I hope that he has taken time to read the news items in the *Toronto Telegram* and the *Toronto Daily Star*. Now, I say to him that the implications of what he said are in the headlines of the *Star*. I do not always agree with the *Star* headlines, sometimes I do not agree with other newspaper headlines.

But certainly this little headline here, CCF CHARGES KELLY GOT GAS LINE STOPPED, CITY OFFICIALS BRIBED, was just identically what I thought the hon. member meant, and what he did mean, too. I am giving the exact headline in that paper.

Now I would say to my hon. friend that, in this stage, I hope that he will read the news items in the paper.

Yesterday, he could have asked me about Mr. Kelly's resignation. It would have been proper enough for him to ask me why Mr.

Kelly resigned, and I certainly would have attempted to give a decent answer. He could have asked me as to my knowledge of whether or not Mr. Kelly had any stock in any pipe line companies. As a matter of fact, he could have asked me whether the cabinet or any of the hon. members of the government, were implicated in this.

But the hon. member for York South did not choose to do that. Instead, he chose to use words like this: "The hon. Prime Minister thought, or the hon. Prime Minister certainly got rid of Kelly, demanded his resignation because he was implicated in stock deals," inferring that any stock deals that Mr. Kelly had were corrupt. He imputed dishonesty on the part of municipal government, running from Dryden to Nipigon. He did that deliberately, and I would say this to him, that he used expressions like this yesterday. He referred to the fact that there was dishonesty on the part of these municipal officials. Yes he did, he certainly did. He intended to do that. He said—

Mr. MacDonald: That is the interpretation the hon. Prime Minister put on it.

Hon. Mr. Frost: Just exactly what is in the newspaper.

Mr. MacDonald: I did not. That is his interpretation.

Hon. Mr. Frost: He did.

Mr. MacDonald: I will say my piece—let the hon. Prime Minister go ahead.

Hon. Mr. Frost: He did not ask if they were guilty, he did not ask that the matter be reopened before the fuel board. He said it was a fact that they had stock passed around, that is what he said. If that is not corruption, then I do not know what corruption is.

Now I would say to my hon. friend that he used expressions like this, "getting closer home"—he will remember his use of it. It was directed at this government, implying that Mr. Kelly had done certain things, and imputing that the government and its connections were implicated in deals in connection with stocks that came from the Treasury at some 8 cents a share and were sold for fabulous amounts.

Now I want to say to my hon. friend this—this is about the third outburst of this sort that we have had from him. We had one dandy last year in connection with the township of Scarborough and I tell him that he will never get very far in this House, or never

get very far in public life, until he learns to act like a gentleman.

Now that is it. Until he learns that men and women in public life are not dishonest, and are not subject to bribery and corruption and that sort of thing, and gets away from making lurid imputations about other people, he will not get very far. I do not think perhaps that he will go very far with some of the policies he advocated anyway.

However, Mr. Chairman, I want to say this, he could have asked me about Mr. Kelly's resignation. I want to say that at no time was the matter of any holdings of stock, blind stock, in the Northern Ontario Pipe Lines mentioned at all with Mr. Kelly. As a matter of fact, as I said yesterday, I had no knowledge whatever of Mr. Kelly having any stock in that concern, and I see in today's paper that Mr. Kelly states that he did not have.

Now, I had never heard of Mr. Kelly, from himself or from anybody connected with him, having any stock, and I had every reason to believe that he did not, for the reason that my hon. colleagues all know this, that I had asked him to have nothing to do with pipe line stocks as I mentioned yesterday.

Now the fact is this, I looked up Mr. Kelly's resignation and I have his actual resignation here at the present time.

First of all, everybody knows that the man has an interest in federal politics, he did take a very considerable part in the convention of December 1957, at the time of the nomination of the present Rt. hon. Prime Minister of Canada. As a matter of fact, Mr. Kelly mentioned the possibility of his retirement here on a number of occasions, not in the House, but to me and to his friends, on the grounds that he found it difficult to carry on his private business, and that in any event he perhaps had ideas politically in a different line.

Now, I notice that accounts in both the *Star* and the *Telegram* today bear out exactly what I say. I have forgotten the names of the concerns which Mr. Kelly is associated with. However, he had said that he was president of Seaway Iron Ores Limited, the presidency of which would be entirely inconsistent with his being Minister of Mines of this province; he has an interest in the Kindery Pipes Limited, a development company, and is also a shareholder in the Tribune Publishing Company and Dennis Ryan and Company Limited—a hotel company—and is general manager of the Kelmack Oil Limited,

a company which owns considerable interest in the province of Alberta, in oil and gas.

Now, I would say to my hon. friend that Mr. Kelly's resignation was given to me on July 8. His resignation occasioned no surprise whatever, because Mr. Kelly had indicated previously the fact that he had contemplated retirement. I have the original letter here:

July 8, 1957

The Hon. L. M. Frost, Q.C.,
Parliament Buildings,
Ontario.

DEAR MR. PRIME MINISTER:

Over the past months, because of my business and its demands, I have been giving consideration to resigning my post as Minister of Mines and member of the executive council. It has been increasingly difficult to attend to the work involved in my Ministerial duties and at the same time give attention to my business interests.

I have come to the conclusion that I cannot do justice to both, and therefore I regretfully tender my resignation as Minister of Mines and member of the executive council.

I thank you and all of your colleagues for the many courtesies shown to me during my term of office.

Yours truly,
(signed) P. T. KELLY

Now, that is Mr. Kelly's resignation. It is exactly as I understood the matter in my discussion with him.

I would say that, concerning Mr. Kelly's resignation from the House, I knew of Mr. Kelly's interest in federal politics. Mr. Kelly did not consult me about his resignation from the House, as a matter of fact he gave his resignation as Minister because of his interests in the nomination in the riding in which he lives. Now that is the situation, and I would say to my hon. friend that I would have been very glad to have given all of these things to him yesterday if he had asked the question, and I would point out that it is not necessary to impute dishonesty and corruption, on not only hon. members and former hon. members of the government, but in wide areas of the province of Ontario, and the municipal government concerned with those areas.

I point out to my hon. friend that he could get such information by asking for it, therefore he should not impute the things he did here yesterday afternoon.

Mr. MacDonald: Mr. Chairman, the hon. Prime Minister has roamed quite far afield, and I just want to do a little roaming with him for one brief second.

He refers to what he chooses to describe as an outburst of mine last year with regard

to the Scarborough bill and the payment of certain oversized water mains.

I refer to it only for this reason, that unless something has happened in very recent days, the significant thing about it is that, after this Legislature went through all that battle, and gave the council permission to pay bills that have been outstanding since 1952, for their own good reasons they have decided not to pay them.

Hon. Mr. Frost: Well that is just exactly the power we gave them.

Mr. MacDonald: If that is the case, why this legislative power should be used to give any municipality the right to do something when they do not really want to do it, is a very interesting point, but I do not want to pursue that further.

I want to deal with two points that the hon. Prime Minister raised. The hon. Prime Minister may twist all he wants, and as far as I am concerned he can accuse other people of misrepresentation, and his words will go floating off on the breeze as long as he rises and does the kind of thing he has done since yesterday.

I explained very carefully that there had been a battle between Northern Ontario Natural Gas and Twin City Gas with regard to these franchises, and that in this certain group of municipalities, between Dryden and Geraldton, they had given the franchises to Twin City Gas because they believed that it was a better contract. They believed that it was an independent company, this was the essence of the understanding.

Yet, within a period of a few months, by a deal, which was behind the scenes, Northern Ontario Natural Gas was able to get half of the stock of Twin City Gas and reduce it to a subsidiary so that the spirit of that understanding, if not the letter of it, was violated.

I suggested that there was some association, and some connection, in the fact that, while all this was going on, the private distribution of stock at fire sale prices by Northern Ontario Natural Gas had taken place throughout that community, which brings me to the second point I want—

Hon. Mr. Frost: Well, what did the hon. member mean by that?

Mr. MacDonald: Just what I said, the words mean just what they say.

Hon. Mr. Frost: Does he mean that the municipal officials were dishonest because they got—

Mr. MacDonald: I did not say the municipal officials. I said that there was so great an opposition to the franchise being given to Northern Ontario Natural Gas that they refused to give it to them, and they gave it to another company. The same purpose was achieved by this distribution of stock throughout this area so that opposition to Northern Ontario Natural Gas disappeared. Now what I want to get to—

Hon. Mr. Frost: I must say to my hon. friend that I have had a good deal of dealings with this, and I know of no municipal official who got any of that—

Mr. MacDonald: He said that before.

Hon. Mr. Frost: Now, I would like to hear some of—

Mr. MacDonald: When the hon. Prime Minister rose in the House yesterday and presumably demolished my case by saying "you want to know the names, they are all in the prospectus," the hon. Prime Minister either had not read the prospectus—

Hon. Mr. Frost: I have read it entirely.

Mr. MacDonald: —or else he was trying to mislead me and the House, because I have taken the trouble to read this prospectus on page 23 rather carefully, and I want to draw this to the attention of the House. I am quoting from page 23 of the prospectus. There are two paragraphs in this relevant section described as "Organization in Financial History"—

Hon. Mr. Frost: Paragraph 2 is the one to which you refer?

Mr. MacDonald: There are two paragraphs, now—

Hon. Mr. Frost: Eight cents a share.

Mr. MacDonald: —now in the first paragraph, it outlines the distribution of stock at various stages—for example, in May of 1954, some 500 shares went to the directors. In October of 1955, another 560 shares went to the directors.

Then, making it almost impossible to figure out how many shares actually went out, we will run into paragraphs, or sentences, such as this:

From time to time thereafter, additional common shares were sold for cash, including shares sold to the shareholders of the company pursuant to a subscription offer

expiring December 7, 1955, to purchase at \$2.50 per share one additional share, for each 10 shares held.

The next line, one additional share for each 15 shares held — well it is impossible to figure out how many shares were out at that stage, so one just has to bow out and put a question mark there. Then in March of 1956—

Hon. Mr. Frost: Where does that justify the hon. member stating that people were bribed—

Mr. MacDonald: Let the hon. Prime Minister just wait a minute now.

In March of 1956, it tells how 1,500 shares were given to J. W. Tomlinson, a vice-president of the company; in May of 1956, another 500 shares to someone else; in September of 1956, 14,000 shares to Lemman Bros. In September of 1956, another 1,599 shares.

Then it ends up with another of these delightfully vague statements which I defy anyone to read any exact meaning into, and be certain that he has the meaning that was intended. It says this:

The foregoing number of common shares are stated without adjustment to give effect to the subdivisions of the company's common shares effected at the rate of 100 for 1 on November 15, 1955, and the rate of 50 to 1 on July 6, 1956.

We do not know how many shares were out at that time, so we do not know what the 100 to 1 means or the 50 to 1 means. This the hon. Prime Minister says is the kind of protection the investor is given by the regulations that we enforce through our securities commission.

Now, what I draw to the attention of hon. members is that, insofar as they are definite figures, those figures throughout that period of 2 or 3 years add up to 18,759 shares. As for the number of split shares and so on, the hon. members' guess would be as good as mine. Then they go into paragraph 2—and this, Mr. Chairman, is the most interesting of all.

Hon. Mr. Frost: That is the paragraph that I was referring to, now read it.

Mr. MacDonald: In paragraph 2 it refers to shares that were given to various so-called promoters. Mr. Farris got 37,500 shares at \$0.08, four-fifths of a cent—

Hon. Mr. Frost: Let the hon. member read the whole paragraph, let us hear—

Mr. MacDonald: Last June, at the time that it went on the market, he had sold, of this 37,000 shares, approximately 20,000, so that he had 17,000 left. Now, Mr. Chairman, the interesting thing is this, that before these shares were on the market and the unlisted price was approximately \$25—it had fluctuated from \$22 to \$23, up to \$27 or \$28, or even higher, averaging roughly \$25 — Mr. Farris had been able to sell 20,000 shares at \$25, so that he made a cool half-million dollars.

Hon. A. K. Roberts (Attorney-General): My hon. friend surely cannot make such assumptions as that. He could also make the same assumption that he sold them for \$1. He sold them at some time between the time he got them and the time that prospectus was filed. Now, I certainly hold no brief for Mr. Farris, but I do want to say that I think that the hon. member must be reasonably careful in analyzing a statement of that sort, so that he does not give any more misinformation about it.

Mr. MacDonald: Well, I can just see Mr. Farris going and selling them for \$1 when they were worth \$25 on the unlisted market. That is a likely kind of thing.

Hon. Mr. Roberts: Well, he has made the suggestion a few minutes ago that a lot of stock went out under the table at what he called fire sale prices. That must have been the kind of stock that went out. If he is telling the people, let him tell about that. It must have been that sort of stock that was going out cheaply, otherwise it could not go out at fire sale prices.

Mr. MacDonald: Will the hon. Attorney-General please sit down. Oh no, it was not. I am coming to that in a minute.

Hon. Mr. Roberts: I think he had better get his facts or—

Mr. MacDonald: The next man who got a sizable block of stock is C. Spencer Clarke, the executive vice-president, 56,049 shares. At the time of the public sale on the market he had 30,000 left, so that he had sold 26,000 shares at the market value of \$25, which is \$625,000.

Hon. Mr. Roberts: Again the hon. member is making a completely erroneous deduction.

Mr. MacDonald: That is the hon. Attorney-General's interpretation. Let me make my interpretation.

Hon. Mr. Roberts: The hon. member has no right to tell this House that they went

out at \$25 a share, any more than he has a right to say that they went out at \$1 a share, for goodness sake let him read at least comprehensively.

Mr. MacDonald: I can read, and I know that if stock is selling at \$25 men are not likely to sell it at \$1. May I continue?

Hon. Mr. Frost: I would point out to my hon. friend that nobody or anybody would know this. On stock prices, for instance, on the unlisted market at \$25 a share, nobody could sell very many of them at that price without depressing the market.

Hon. Mr. Roberts: If my hon. friend will allow me, I will say just one thing, because I think it is important that we get at least a reasonable appreciation. He is reading a prospectus that reveals that, prior to the filing of that prospectus, certain transactions took place whereby the original people disposed of some of their holdings. There is nothing to tell when they disposed of them, and there is no reason perhaps why there should be anything in the prospectus. But let the hon. member remember this, he is talking about quoted prices that arose after the prospectus was issued, and after the sale to the public was made.

Mr. MacDonald: No, I am not.

Hon. Mr. Roberts: Of course he is.

Mr. MacDonald: I am talking of the \$25 market price while it was unlisted. It was currently and widely known throughout the month of May, and this did not go on the public market until the first week of June.

In fact, I tried for weeks to get copies of this prospectus, and it was not available until a day or so before the stock was put on the market at the end of the first week in June, of last year.

Now, I want to come to two other people, Mr. Chairman, because this is interesting.

The directors of the company are listed on the previous page, I will not read them, but among the directors of the company I cannot find anybody by the name of Newell or anybody by the name of McLean. Yet their names appear in the stock distribution. There is no initial given. They are merely so-called promoters. Yet the interesting thing, Mr. Chairman, is that this Mr. Newell got 32,000 shares. By the time the stock went on the public market he had only 5,000 left. He had disposed of the others, and if he disposed of them at the current market price, there was another man who made \$625,000 of tax free capital gain.

Now that was good enough for Mr. Newell, but let me ask the question, who is Mr. McLean?

Hon. Mr. Roberts: He has made another statement, he has no right to say it is a tax free capital gain. There is just as much chance that it is income and chargeable as income, and I hope it will be.

Mr. MacDonald: Is that right? Well, this is something we have heard a lot of talking about—the proposition that capital gains are tax free.

Hon. Mr. Roberts: I would say that the kind of transactions that the hon. member is talking about here might very well be income taxable, and if they are, of course, it is a very different story from a tax free capital gain.

Mr. MacDonald: The next gentleman I want to draw attention to is this Mr. McLean. Now who is Mr. McLean? There is no initial. I have looked through all the rest of the prospectus, though I admit, not with a fine tooth comb. Maybe in some back page his name is mentioned somewhere. The only place I can see his name mentioned is among those deemed to be the promoters.

The interesting thing is that the rest of them got, say, 30,000 shares, or 40,000 shares, but one Mr. McLean got 105,750 shares at \$.05. When this went on the market, he still held 60,000, so that he had sold 45,000. At the market price, if he sold them at that market price, he made a cool \$1.125 million. Now Mr. Chairman, I ask again, who is Mr. McLean?

An hon. member: He is the son of Mrs. McLean.

Mr. MacDonald: Then finally, too, to end this special list, we have the Charter Oil Company Limited—which got 83,000 shares at \$.39 and happens to be a company that Mr. Farris is president and director of—all beautifully tied in.

Now, if we add up all these shares, in the second paragraph, it comes to 315,000. If we add up the original group of shares, it is 18,000 so that the total is something less than 350,000 shares, and yet the *Financial Post* reported the week before these went on the market, in its issue of May 25:

Balance sheets of Northern Ontario Natural Gas at February 28, shows 730,000 [not 350,000] non par value shares of an authorized 2 million for cash consideration of \$333,420 or an average of \$.46 a share

—about one-fiftieth of the current market value.

Now here is my question, and I put it to the government yesterday, and I reiterate the challenge: Where are the other 350,000 shares that are not listed in this prospectus? We add up the figures and it comes to 350,000, yet the *Financial Post* says some 730,000 were distributed. That is one thing I would like to know. Where did those go, and who got them?

Furthermore, when the government gets around, instead of trying to hide this under the table, and looks into it as Rt. hon Mr. Diefenbaker is doing with the Borden commission investigation into the West Coast Transmission at the present time, when they look into it, perhaps they will explain to the province of Ontario who this gentleman Mr. McLean is, who was fortunate to get 105,000 shares.

Hon. Mr. Frost: The hon. member can easily find out all about Mr. McLean. I would say to him that the duty of the securities commission here is to give the fullest of information to the people. Now I think—

Mr. MacDonald: Well if the hon. Prime Minister can figure out what that company did with its shares, he is a better man than I am.

Hon. Mr. Frost: The 75 shares that are mentioned in paragraph 1, if he reads the prospectus, were split in the amount that the *Financial Post* mentioned there. I think it is correct, but it is all there.

Now I would say that the duty of the securities commission here, and the securities exchange commission in Washington, is to give to the investors the fullest information so that they will know the shares issued. Now paragraph 2 is the most relevant paragraph and I will read it.

Messrs. Farris and Clarke, the president and executive vice president respectively, of this company, were instrumental in founding and organizing the company, and have been active in its affairs since its organization. There were no promoters of the company except insofar as Messrs. Farris, Clarke, Newell and McLean and Charter Oil Company Limited, referred to above, may be deemed to be promoters within the terms as used in The United States Securities Act of 1933, and the rules and regulations of the securities and exchange commission thereunder.

Now these were the facts, given as I say both by the securities exchange commission and by our own securities commission. The number of common shares purchased from the company, and the average price, thereof, giving effect to the above mentioned subdivisions of common shares, and the number of common shares presently held by them, is as follows:

Mr. Farris—37,500 shares, purchased at an average price of \$.08 per share and he now owns 17,500 shares.

Mr. Clarke—56,049 shares purchased at an average price of \$.12 per share and he now owns 30,000 shares.

Mr. Newell—32,084 shares purchased at an average price of \$.31 per share and he now owns 5,000 shares.

Mr. McLean—105,750 shares, purchased at an average price of \$.05 per share, and he now owns 60,213 shares.

Charter Oil Company Limited—83,989 shares purchased at an average price of \$.39 per share, all of which it now owns.

Now I would say this, that the prospectus states that Northern Ontario Natural Gas Company Limited has filed, with the securities exchange commission, Washington, D.C., a registration statement herein, together with all amendments called the registration statement under The United States Securities Act of 1933 as amended, relating to the securities hereby offered.

Now I would point out that that was filed in Washington. I would say probably the strictest securities exchange in the world and our own securities commission here were available to every investor who purchased stock in that company, every one of them. It was a public record and was made public before the issuance of any shares.

Now, I would say to my hon. friend that he may think that the amounts of these shares issued to these people were excessive. May I point out to him that the investors had the right to decline to purchase the shares, and to assess the amounts of these shares as being excessive, but I point out to my hon. friend that it is highly improper to say that, because there were certain individuals termed as promoters of this company within the meaning of The United States Securities Act and any other Acts, that that meant that there was bribery and corruption indulged in by those people. That is what he said and that is what he meant.

Mr. MacDonald: I did not. Look, Mr. Chairman, why the hon. Prime Minister wants

to get up and persist in twisting this, I do not know. If this phrase in brackets—in parentheses—half way through the middle paragraph, saying, “Giving effect to the above mentioned subdivision of common shares”, if that means that the figures given in the second paragraph include the subdivision of common shares listed in paragraph one, then it simply means that the total number of shares given out was, as I added up, 315,000, and if there are 315,000 given out, that means that there are more than 400,000 shares that are not accounted for. I am asking this government to let the people of the province of Ontario know who got these shares.

Hon. Mr. Roberts: They are right there.

Mr. MacDonald: They are not there.

Hon. Mr. Roberts: All the hon. member has to do is make a proper interpretation and reading of this document. If he will turn to page 33, he will see that the very figure that he is talking about, 730,378 shares, is right in the prospectus. He himself, a few moments ago, referred to the purchase by some company, I have just forgotten the name of it now, but one of the American companies, of some 14,000. That is part of it, and if he goes through it, as I have done, through this prospectus, he will see that all the 730,000 shares, in the original issue, are accounted for there.

Now what was done with part of them afterwards in the ordinary trading was, as the hon. member said, anybody's guess, because these shares were transferred from time to time, and one could not expect any prospectus to show all the transfers of shares from the beginning. But as far as the 730,000 shares are concerned, which were the number issued when this prospectus was filed, they are all set out in there, and the dollars received for them are all set out.

Mr. MacDonald: Mr. Chairman, I am not going to argue with the hon. Attorney-General any longer, but if he takes what is on page 23, I defy him to be able to add that up to 730,000 shares. It is somewhat less than half of the amount. There has been enough talk about this. Moreover, the people who did the talking before last June 10 were in the Tory party of this country.

Yes, sir, the Conservative party went around shouting from the roof tops about the buccaneers and who was making the money on this. Now because they have become the government at Ottawa, they want to soft pedal the whole proposition.

What I am saying is simply this, that what the Borden commission is doing with regard to West Coast Transmission Company and some of the financial deals involved in Trans-Canada, let this government do with the distribution lines in the province of Ontario. If they have nothing to cover up, let them not cover it.

Hon. Mr. Roberts: Will my friend just give me a moment, because I think we have surely had enough of this in the House without any basis of anything but rumours to go on. Now, under this prospectus, and it can easily be seen by any hon. member of the House who wants to take the time to read it, the total number of shares that were issued, after allowing for the splits and allowing for the very cheap original stock and for those splits (none of which, as far as I am concerned personally, I in any way approve of in my remarks in this House here) but I am saying that we can see them all there. They are clearly on the record and they have been passed by the securities exchange commission, which requires the most complete type of disclosure before they pass on it.

With that in mind, we come back to what started this discussion a few minutes ago, and that is a statement taken out of its context, or rather not taken out of its context, but based on no substantiation on the part of my hon. friend from York South, a statement in which he claimed that he has the evidence that there were under the table transactions, and that some of this stock went into the hands of other individuals at fire sale prices.

Now, for goodness sake, let him stand up and name the individuals who got the stock, and give us some sort of a basis for what he is asking for, because without such a basis, what he is asking for now is nothing but a witch hunt.

Mr. MacDonald: Is that right! Is that what the Borden commission is engaged in—a witch hunt! The Borden commission is doing precisely what I have asked this government to do, and it was set up by the Tory government at Ottawa.

Now, if the government has nothing to hide, let them not hide it. It is as simple as that.

Hon. Mr. Frost: I would say to my hon. friend that that is the type of insinuation that my friend says: “If you have nothing to hide, why hide it?” In other words: “You people sitting over there, you are a bunch of crooks and you are corrupt and your hands are dripping with corruption.”

Mr. MacDonald: I did not say anything of the kind.

Hon. Mr. Frost: Now that is what he means.

Mr. MacDonald: Did Rt. hon. John Diefenbaker say to the people who were in West Coast Transmission Company: "You are corrupt and your hands are dripping," when he set up that commission? Is that what he said?

Hon. Mr. Frost: Then what does the hon. member mean when he says: "If you have nothing to hide, why hide it?" Why does he say that?

Mr. MacDonald: I will say to the hon. Prime Minister that, despite what the hon. Attorney-General has just indicated, he cannot account for the 730,000 shares in that listing. He cannot.

Hon. Mr. Roberts: I can show without any trouble, and will give it to the House with—

Mr. MacDonald: He did not, and there is something like 400,000 shares that are not accounted for, and if this government wants to, it can do just what their fellow Tories in Ottawa are doing, set up a commission to investigate where the shares went—who got them. That is all I am asking them to do.

Hon. M. B. Dymond (Minister of Reform Institutions): Let the hon. member go out of the House and make that charge.

Hon. Mr. Frost: If the hon. member will investigate the prospectus further—for instance, here is Mr. Farris, who has according to this statement—

Mr. MacDonald: And who is Mr. McLean, who got the 105,000 shares?

Hon. Mr. Frost: All right then, let us take Mr. McLean. Mr. McLean has 105,750 shares, and he now owns 60,213 shares, how in the world could the hon. member ever—

Mr. MacDonald: Who is Mr. McLean?

Hon. Mr. Frost: I have no idea who he is.

Mr. MacDonald: Can the hon. Prime Minister get the information?

Hon. Mr. Frost: I would think one could get all the information about all these people.

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Chairman, may I ask the hon. member for York South a question? I would like to phrase the question this way.

Is he prepared to repeat outside the House about Mr. Kelly what he said inside the House yesterday? That is what I want to know.

An hon. member: Did he read the speech?

Mr. MacDonald: This is the kind of statement that the hon. Minister said last year. The interesting thing is this, that yesterday the hon. Prime Minister got up and said there is nothing illegal in this business, buying of stock—

Hon. Mr. Warrender: Let the hon. member answer the question, please.

Mr. MacDonald: At no time did I say that this is illegal, the issue here is a moral issue.

Hon. Mr. Warrender: The hon. member is evading the question.

Mr. MacDonald: No, I am not going to go out and—

Hon. Mr. Warrender: I asked a question; will the hon. member answer it?

Mr. MacDonald: Of course not. Of course not.

Mr. Maloney: Mr. Chairman, I have just lost a retaining fee, because I was talking to Mr. Kelly 10 minutes ago.

Mr. Oliver: Mr. Chairman, before we pass this vote, which is the vote for the Ontario fuel board, I want to say a number of things because after listening to able counsel on both sides, a layman's point of view is perhaps not only appreciated, but might be refreshing.

Now this whole turmoil was started yesterday by a speech from the hon. member for York South, in which he unquestionably insinuated—he did not charge, I do not know how close one could say he came to charging—but he did not, he insinuated that certain conditions existed and asked the government if they existed.

What I want to say to the House is this, that I would not have brought this matter up on the floor of the Legislature in the manner in which it brought up by the hon. member for York South. I, of course, had the opportunity to do so, I decided not to, because I did not have what I consider to be proof enough to substantiate what I would say on that occasion.

The point is, Mr. Chairman, it seems to me that, irrespective of what ethics I might have employed, the matter now is up for

discussion. It has been argued quite extensively both by the hon. member for York South and by the hon. Prime Minister.

I want to say without hesitation that I believe if I were Mr. Kelly—let me put it this way—if I were Mr. Kelly I would want to have an impartial and a judicial examination into this whole matter. I would want to make it known if my hands were clean, that they were indeed clean. I would not want to live longer under the cloud that exists, and I would go to any lengths to make it known, to all and sundry, that the insinuations or the charges or whatever they were, that were made by the hon. member for York South, were not soundly based, and that I was in no way connected with the shares of these two particular companies.

Now, when the hon. member for York South yesterday proposed a judicial inquiry I was immediately reminded of the fact that many months ago I proposed the same thing. On July 10, I issued a statement to the press, a statement which came at a time when the twin cities at the head of the lakes were experiencing, shall we say, some difficulties in their negotiations with these two particular companies.

At a time when the revelations were in the public mind in respect to the issuing of these shares at very nominal prices, I was reminded that the Ontario fuel board has control over these two companies and all other companies that are in existence, or that might come into existence, insofar as the distribution of gas was concerned.

I had heard, quite frankly, as all could hear, the rumours in respect to Mr. Kelly, and the suggestions that he had made a lot of money by the route that he was able to obtain quite large blocks of shares in these two companies at a fantastically low price. So, on July 10, having all these things in mind, I did ask the Ontario government to set up a judicial inquiry into all these aspects of the situation, in order that the public mind might become settled, and in order that the reputation of men in high office might be cleared.

Now the government, as it has a habit of doing, did not accept my recommendation and my suggestion at that time. I just want to say this and be completely frank in this, now that this whole matter is before the House:

Mr. Kelly resigned, I think the hon. Prime Minister said that his letter of resignation was dated July 10. Now, I am not arguing at the moment as to why Mr. Kelly has

resigned, but what I am saying to the House in all frankness is that it is a rather unusual reason for a cabinet Minister to give, upon his resignation, that he intends at some far distant date to engage himself in federal politics.

In July there was no intimation as to when a general election would be held, no one could tell at that distance whether it be one or two or three years, and yet the hon. Prime Minister suggested to the House, and Mr. Kelly intimates in his letter, that one of the reasons for his resignation was the decision on his part to assume the role of political life in the federal arena.

Now that may or may not be the reason, but in the public mind again there is the suggestion that that may well have been a very odd reason for a Minister of the Crown to give when one was aware of the circumstances.

Hon. Mr. Frost: That is not the reason that Mr. Kelly gave in his resignation which I read to the House.

Mr. MacDonald: That is what the hon. Prime Minister said yesterday.

Hon. Mr. Frost: No, I did not say anything of the sort. I say this, that he resigned from the House at the end of January to contest the convention in one of the ridings, but he did not consult me about that. As a matter of fact, I knew of course for a year and more that he had an interest in federal politics, but that was not what he discussed with me. As a matter of fact, his resignation was predicated entirely on his business interests and the fact that he could not act as Minister of Mines.

Mr. Oliver: I would think, Mr. Chairman, that the view was certainly widely held that the reason Mr. Kelly was resigning was because he wanted to engage in federal politics.

Now, I want to go this one step further, Mr. Chairman, just so the whole matter may be thrown into the arena of discussion, and that has to do with Mr. Kelly's statement in the paper today.

Now Mr. Kelly quite frankly says that he does not now hold, nor has he held, shares in these two particular companies. Well that, of course, I would take Mr. Kelly's word for, but Mr. Kelly is a director of a number of companies outlined in this article in the paper, and he could, if he so desired, have shares in the name of some member of his family. We do not know, but he could have

shares surely in the name of these companies that I mentioned.

I am saying to the hon. Prime Minister that, having gone this far in this whole matter, it seems to me that the only way to clear the air and to present to the public the full explanation of what went on, is to set up a judicial inquiry and to go into all aspects of this situation, so that the truth might be bared and the people generally would know what has gone on, and what is presently going on in relation to these matters.

Hon. Mr. Frost: Well, of course, I would say to the hon. leader of the Opposition that my position, and the position of the government in this matter, was stated very clearly by me yesterday. I can assure the hon. leader of the Opposition that there are no shares of any of these companies, nor have there been any shares of these companies, held by the hon. members of the cabinet.

Now, Mr. Kelly's holding of shares never came into the matter of his resignation, and I see in the *Telegram* today that Mr. Kelly is quoted as saying, "I have no shares in either Twin City Gas Company or Northern Ontario Gas, and I never have had."

I would say to the hon. leader of the Opposition that I have been very meticulous about these matters myself. I can assure him of that. I can assure him that I have made it a policy and a practice of having no shares personally, and of asking my hon. colleagues to have no shares in any company with which the government does business or with which the government has any transactions which may act favourably on the stock of any concern. That is well known by my hon. colleagues. I have stated it on many occasions, and I would say that I know exactly where I am going in this business, and I know what I am dealing with, and I know that is the case.

I am glad to be able to state that, and I would say that with the Trans-Canada Pipe Line stock, when the issue was announced I think in November of 1956—I think it was placed on the market in 1957, the early part of 1957—I not only asked each one of the hon. cabinet members not to purchase any of the shares of that stock, but I furthermore had a canvass made of every hon. member of the cabinet.

Therefore I assure the hon. members that I know what I am talking about. I know that no shares were held, and I would say that we have been very meticulous in our dealings in that regard. In the meantime, the Borden commission has come along with very

wide powers in relation to this matter, and furthermore I have done this: this was done about the same time the hon. leader of the Opposition last summer made mention about a Royal commission which I very well remember.

At that time, Mr. Crozier made his statement of which I have a copy here, which was mailed to every one of the municipalities having any franchise rights or franchises involving any of these companies, telling them that they could have a re-hearing, that the whole matter would be aired publicly, and I have from that date to this never had one single, solitary application or suggestion of an application.

Mr. MacDonald: May I ask a question?

Hon. Mr. Frost: Yes, go ahead.

Mr. MacDonald: A moment ago, the hon. Prime Minister made the comment the Borden commission is now in this field and that it has very wide powers. Do I conclude, from that, that the powers of the Borden commission are wide enough to investigate the deals of the distribution systems in Ontario?

Hon. Mr. Frost: The Borden commission went into the shares, I notice, of Trans-Canada Pipe Lines and also the shares of some of the other pipe lines. The Borden commission has entire power with any of these concerns.

Mr. MacDonald: They were all inter-provincial lines. My question is—

Interjection by an hon. member.

Mr. MacDonald: I am certain that, as it now stands, the Borden commission cannot investigate distribution systems within the province of Ontario. Is the hon. Prime Minister willing to give the Borden commission permission to do that?

Hon. Mr. Frost: I would say I have never placed anything in the way of the Borden commission. I would say that concerning any information that they could get, I would be very glad to give it to them.

Mr. MacDonald: The hon. Prime Minister is evading my question. My question is this: This is a federal commission, investigating inter-provincial lines. If the hon. Prime Minister is not willing to set up a judicial inquiry to investigate distribution systems in Ontario, will he, by whatever procedure is required, give the Borden commission the right to look into the financial deals of Northern Ontario Natural Gas?

Hon. Mr. Frost: If the hon. member is asking if I would create the Borden commission as another Royal commission to investigate these pipe line companies, my answer is completely in the negative, no.

Mr. MacDonald: I thought it would be.

Hon. Mr. Frost: I would say to the hon. member if he asked me this, as to whether I contemplate, or the government contemplates, setting up a Royal commission in connection with pipe line companies here in Ontario, I would say again the answer is in the negative. I would say that if the hon. member will show that there is this type of corruption and this bribery—if he does that, then we will have a look at it.

Mr. MacDonald: The onus is on the hon. Prime Minister.

Mr. Worton: Mr. Chairman I would like the hon. Minister to explain the procedure on vote 1,107. As I understood it yesterday, when a company comes in to supply an area with gas they have a hearing, and then a rate is set. Now I would like to know what procedure is needed in case the citizens at some time or other feel that they want to investigate the increases or the price of gas. What recourse do they have?

Hon. Mr. Spooner: Mr. Chairman, I think I could read, for the benefit of the hon. member, section 17 of The Fuel Board Act which I read yesterday which says, in part:

The board may, at any time and from time to time, re-hear or review any applications before deciding it, and may by order rescind, change, alter or vary any order made by it under this Act or any other Act.

So it would be in the powers of the municipal authority to make application to the board to have the case heard.

Mr. Worton: May I ask the hon. Minister if it is a fact that if the citizens of the city approach the council regarding the rates, the council can take action, or take it up with the fuel board, and then they will have a hearing to discuss the rates? Is that correct?

Hon. Mr. Spooner: Well, I would say that unless there is a contract in effect between a distributor and the municipal corporation that has been provided for according to the law, a board hearing and so on, we could not very well reopen the contract a month

after it was entered into. But if, for some particular reason, the public or the residents of the community wish to have this matter gone into, they should deal with it through their municipal corporation, and then it would be up to the municipal council to adjudicate upon the request, and to see where they should go from there.

Hon. Mr. Frost: I know that this is not entirely relevant to his question. But I point out this to him, for the purposes of making this plain, that the rates fixed by the board have no relation whatever to stock issues. Let him understand that it is based entirely upon the physical and other investment relations to the distribution of gas, but not to the matter of any stock issues at all.

Mr. Worton: I might say to the hon. Prime Minister that I am not interested in the stock end of it, I just want to know, if the people of this area feel that perhaps their gas rates are getting beyond reason, what recourse they can take in order to have another hearing to perhaps reset the rates? I think the hon. Minister has explained this by saying that, by going to the local council, this can be done.

Vote 1,107 agreed to.

On vote 1,108:

Mr. G. C. Wardrope (Port Arthur): Might I just ask a question? I would like to thank the hon. Minister of Mines for two things in our area, first as to geological surveys that are made each year, and the other one as to the prospectors' classes that have been carried on in our area.

These geological surveys are the forerunner of a great deal of prospecting and staking, and have been responsible for many of the outstanding discoveries in that area, as for instance Geco and Willroy, and I hope that he has plenty of money in his estimates this year to continue that very worthwhile project.

The other thing I would like to ask, on this capital payment item, Mr. Chairman, is this:

I notice that there is \$1 million in there for mining and access roads. Am I correct in assuming that the contribution from the federal government now, which naturally was put in there by the present Conservative government and never has been given in the history of this country before, is shown in this \$1 million? Or is there a further contribution from The Department of Lands and Forests for that very great need in the

north—the mining and access roads programme?

Hon. Mr. Spooner: Well, Mr. Chairman, we have \$1 million in the past year for mining and access roads, and if we can pick up \$1 million from some other authority, why we will be very glad to do our best to spend \$2 million, but we have our own money there.

Mr. Oliver: Does the hon. Minister mean that he is not sure he is going to get money from the federal government?

Hon. Mr. Spooner: Not so far as these estimates are concerned.

Voté 1,108 agreed to.

Mr. R. Whicher (Bruce): There is a general question that I would like to ask, and I think maybe the hon. Prime Minister could answer it better than the hon. Minister of Mines. For the fiscal year 1957-1958, there was an adjustment in The Mining Tax Act under the federal-provincial tax agreement last year. Now my question is this, how much revenue will that adjustment produce?

Hon. Mr. Frost: I must admit I am not familiar with the adjustment, I do not know that any adjustment was there in The Mining Tax Act.

Mr. Whicher: There was no adjustment?

Hon. Mr. Frost: No, not that I know of, unless it was a minor one.

Mr. Whicher: It may be that I am mistaken, and that it was the logging tax. There was some adjustment in the provincial tax agreement, logging.

ESTIMATES, DEPARTMENT OF PUBLIC WELFARE

Hon. L. P. Cecile (Minister of Public Welfare): Mr. Chairman, I welcome this opportunity of presenting the estimates of The Department of Public Welfare for the year 1958-1959. Hon. members will know that funds are required to meet the welfare needs of Ontario citizens who lack the privilege of providing for their own requirements.

I have served as Minister of this very fine department for a comparatively short period of time; and in reviewing the past few years, I have been quite impressed with the amount of legislation which has been approved, and has served to expand our services. This year, we are embarking on additional programmes and a further broadening of services.

Our estimates call for an expenditure in excess of \$1 million a week, or a total of \$54.17 million, with the province contributing \$42.828 million of this amount.

Two years ago, when I presented my first estimates for The Department of Public Welfare, the gross amount expended was \$34.3 million, of which the province contributed \$27 million.

Hon. members will readily see that there will be a substantial increase for this coming year—almost \$20 million in the gross amount and \$16 million in the amount from provincial taxing sources, both representing an increase of 58 per cent. over the expenditures for the fiscal year 1955-1956.

The trend throughout the years has been for the province to relieve both the municipalities and private agencies in serving the welfare needs of the population as a whole. In the year ending March 31, 1957, I note from our records that approximately \$37.5 million was expended to meet the costs of the services of old age assistance, blind, disabled and mothers' allowances, direct relief, medical services for our recipients, homes for the aged, child welfare and day nurseries. This total expenditure is equal to a cost of \$7.15, for the year, for each resident in Ontario.

The notable feature, however, lies in the fact that, of this sum expended, the provincial government contributed 62.3 per cent., the federal government 28.4 per cent., and the municipalities, collectively, 9.3 per cent. These figures reveal the continuing process relieving municipalities of expenditures related to the care of needy persons.

I should say that I am not aware of any province, or state in the country to the south of us, which has as good a record in relieving municipalities of the burden of welfare costs.

We have been making a determined effort to keep pace with the cost of living. As a result, during the year, the standards of assistance have been increased under each of our welfare programmes. Hon. members will know that the monthly amount of \$55 is being granted to the aged, disabled and the blind. Both mothers' allowances and direct relief cases are being granted increased aid on the basis of need, and in keeping with a budgetary method of extending assistance.

Supplementary assistance is also available to persons qualifying under the federal-provincial programmes up to an additional maximum of \$20 monthly, with the costs being shared 80 per cent. by the senior governments and 20 per cent. by the municipalities.

Substantial additional funds, of course, are going forward to the municipalities to provide for child welfare and homes for the aged commitments. The homes for the aged operated by the municipalities will, this year, obtain additional financial advances through this government, which, I am sure, will be found to be most acceptable. Municipalities today would seem to be sharing in expenditures for needy welfare cases within their borders on a proper ratio, balanced to give responsibility in the administration of their local affairs.

We have in recent years been giving greater attention to the extraordinary needs of many elderly persons. This is an area which deserves every consideration and service. We are all decidedly interested in the well-being of our older citizens, and earnestly hope that their remaining years will be spent in comfortable and healthful living. We all know that medical services are required to a greater extent by older persons than by any other age group in the population. It is also known that there is a great unfilled need for research which could lead to improved health and vitality for all persons in their later years.

In particular, I am anxious that concentrated efforts be made for those persons who reside in our homes for the aged, and for whom we have a large measure of responsibility. I am therefore appointing an advisory committee to carry out geriatric studies. This committee will serve under the chairmanship of Dr. W. W. Priddle, who is acting as consultant in geriatrics to my department. The purpose of the studies will be:

1. To assure a high standard of medical care for geriatric patients with special reference to residents of homes for the aged.

2. To study methods of prevention of deterioration and improve physical, mental and emotional fitness of older people.

3. To study cause, prevention and treatment of diseases associated with aging.

A committee of 5 will serve with Dr. Priddle. They are: Dr. John T. Phair, Dr. Robert C. Laird, Dr. Arthur Purdy, Dr. C. M. Spooner, Mr. Carl Cannon.

We have obtained the full co-operation of Metropolitan Toronto in establishing a centre for this project at Lambert Lodge. A full-time medical doctor has been appointed, and his services will be related to continuing studies in the integration of medical services and the variety of treatment which should be available to persons being maintained in homes for the aged.

One of the primary purposes in appointing these outstanding medical men is to give emphasis to the development of a specialized programme of medical treatment. There is much to be accomplished in a positive way, and I believe the results will prove to be of great value.

I would like at this time to acknowledge the action of the government of Canada in reducing the required period of residence in Canada for old age assistance and old age security cases to 10 years rather than the previous required period of 20 years. I also proposed a year ago that the allowable income for our welfare recipients should be much higher than the restricted amounts of \$720 for a single person and \$1,200 yearly for couples. These have now been increased and the grant of \$55 monthly, which is 37.5 per cent. higher than a year ago, is a more realistic allowance. We endorse the steps taken to improve the lot of our older citizens.

The recognition of the government of Canada in sharing the cost of aid to all persons requiring unemployment assistance was a forward step, and more closely acknowledges their responsibility in this national problem. To have agreed to the original federal government proposal—that of maintaining a floor of .45 per cent. of the population before the government of Canada would share in the costs—simply placed too great a financial onus on the municipalities.

Personally, I would have preferred to have seen the federal government administer assistance to employable persons entirely from their own resources, and within their administrative set-up in the federal employment offices. The scheme now in effect has, however, much advantage over the proposal originally brought forward in previous federal legislation.

The distinction between employable and unemployable persons has been removed for the purposes of granting unemployment assistance. The great bulwark for combating unemployment is, of course, vested in unemployment insurance. The Unemployment Insurance Act has served well in making funds available to those who are temporarily without employment. The provisions this year which extended the period during which supplementary benefits are paid have been particularly helpful.

I was pleased to have seen a recent report of Canada's hon. Minister of Labour (Mr. Starr) in which he stated that the upward trend in unemployment would now seem to be halted. I would speak with conviction

when I say to this House that there is far too much to be yet accomplished, in productivity and the development of our natural and human resources, to consider the present lapse in employment to be other than a temporary one. We have, after all, enjoyed the highest period of production and employment in the history of this province and of Canada as a whole.

There can be no question that we are assured of a future in which we shall see our productivity and full employment outstrip all previous records of achievement.

I should like to take this opportunity to announce that the province will participate with municipalities in sharing the costs of providing for the maintenance of persons requiring care in nursing homes. This will be conditional upon the licencing of such homes by the municipality, and assistance will be made available on behalf of those persons who are unable to meet the costs of the services provided. We anticipate commencing to share in such costs, from April 1, up to a maximum of \$100 per person, on the basis of an 80 per cent. provincial, and a 20 per cent. municipal share.

I should emphasize that this is an entirely new field of endeavour for the province. While almost all nursing homes are operated commercially, they fill a great need in giving services to many needy persons who cannot be cared for in their own homes, or in hospitals or other institutions. I am sure that the municipalities throughout the province will welcome being relieved of the greater financial share of this previously total municipal responsibility.

Each year, many great accomplishments, on the part of private organizations, come to light. Among other notable developments, the Society for Crippled Children is moving ahead with the construction of a new centre which will give great impetus and strength to the total programme of medical treatment, education and rehabilitation for children who are crippled through diseases or injuries. Much careful planning and expert attention has been focused on the development of this new centre. I anticipate that the Society for Crippled Children will, in due course, have an overall programme for these children which will be second to none on this continent.

This organization obtains much strength and leadership from an enthusiastic and dedicated group of private citizens. The society has a most effective administration and, of course, sparking the whole operation is that

redoubtable Mr. Conn Smythe. I would again state my admiration for this man and his achievements. There is a continuing need for such specialized groups in the private welfare field; and it is invariably true that where the greatest measure of success has been obtained in such efforts, we will find a man of the calibre of Conn Smythe to spearhead the activities of the organization.

Many other private organizations are showing signs of renewed activity. During the past year, for example, we have seen the opening of the Earls court children's home in Toronto. I would give much credit to the board of this home in making available one of the most modern homes for children, both in facilities and in construction. The Salvation Army has just opened a fine new home for elderly persons in Toronto. The several houses of providence in Ontario are in the active stages of planning further new homes for persons requiring this type of maintenance and care.

Hon. members will know that we have not been lax in stimulating these efforts. The funds we make available under The Charitable Institutions Act serve to underwrite the construction and continuing operation of these excellent centres and homes.

As we sit daily in this House, we can observe a group of men who have extraordinary responsibilities in their own right. I refer, of course, to the gentlemen of the press. Some of these men inform the public about the activities of the government on a permanent basis. Others are with us during the session.

We have among this group many eminent journalists. The Toronto *Telegram's* Allan Kent, for example, made newspaper history when, from Vienna, he reported on the shocking upheaval in Hungary. His accounts of this event contributed in no small way to the development of understanding of the tragic problems faced by those who had reacted so violently against tyranny and oppression, and of their desires for the free life which Canada and other countries in the west could offer.

In Roy Greenaway, the Toronto *Daily Star* has one of the best known newspaper men who have served in this gallery. Aside from his prominence as a Queen's Park reporter, Mr. Greenaway is a talented artist. His painting exhibits are a yearly event to which many people look forward. We welcome to this House each year representatives of 3 of Ontario's newspapers serving major cities in Ontario. I am sure every hon. member is

pleased to see the highly experienced Jack Pethick of the London *Free Press* return to cover events for his paper. Bob Hanley of Hamilton's fine *Spectator* ably represents his paper's interest in the public business of the province. This year, Ted Douglas, of the Windsor *Daily Star*, is presenting many fine reports on the activities of this House.

The Thomson chain of daily papers is an important news outlet, and Don O'Hearn not only makes available to each of these papers a daily feature, but reports the particular happenings of the day.

I appreciate very much the most adequate treatment of the news by the Toronto *Globe and Mail's* Grey Hamilton, and Ralph Hyman; the Toronto *Telegram's* William Bragg; and our session reporter from the Toronto *Daily Star*, Tom Eberle.

It is true, however, that some of the representatives of the Toronto daily papers must move in and out of the gallery frequently, depending upon the whims of their respective city editors. The Canadian Press is well represented this year by Peter Supnowich, as is the British United Press by Harry Martin.

I am pleased indeed, to welcome a member of the French press, *Le Droit* of Ottawa. Mr. Roland Desmarais is serving his paper well, in translating the business of the Legislature to its readers. *Le Droit*, as a matter of fact, accepted my invitation to send a reporter to this House.

I must pay particular tribute to the *Globe and Mail's* William Kinmond, for the outstanding reporting job he carried out last year on his visit to Red China. In this assignment, Mr. Kinmond's daily items received the widespread attention of the major newspapers, both in Canada and in the United States. His book *No Dogs in China* was the culmination of this assignment.

I would just add this in giving well-deserved recognition to the press—a quotation from Thomas Carlyle, who said:

There were three estates in Parliament; but in the reporters' gallery yonder, there sat a fourth estate, more important far than they all.

There is a matter of major importance which I intend to continue to press for recognition by the federal government. That is, the matter of recognizing the medical services made available in Ontario for recipients under the various welfare programmes. I should say that we are making substantial contributions, entirely from provincial taxing sources,

so that medical services by the physicians of their choice may be provided in the homes of recipients or at the offices of their doctors. I can find no good reason why the government of Canada should not share in the costs of these services in the same manner as they share the costs of the allowances granted by way of old age assistance, disabled and blind persons' allowances.

I say this in spite of the constant reference on the part of federal officials to the provisions of The British North America Act. These medical services are being provided monthly to approximately 85,000 recipients of old age security which, of course, is an entirely federal programme. Altogether 182,000 persons are eligible for medical services monthly. These services are important, or possibly in some cases, more important than the grant itself.

While on this subject, I should like to express my appreciation of the whole-hearted efforts of the medical profession in Ontario, in giving every attention and service to the persons qualifying for this type of aid.

Hon. members are no doubt aware that we have introduced a number of Acts during this sitting of the House. I believe they will all be helpful in treating the needs of the persons served by our department. I am looking forward, in particular, to what can be accomplished through The Homemakers and Nurses Services Act for those who require and can benefit from such services. I believe this Act will prove to be another milestone in the welfare field.

I might also note that several specialized studies are being continued within the department to lessen and streamline many of our administrative processes. Constant study is also being directed to the allowances being granted, and to the budgetary procedures which support our cases. It is likely, in the future, that many of the items of assistance can be consolidated to a degree with recognition being given to the variety of needs in each particular case.

The main function of The Department of Public Welfare, as I see it, is one of service. We strive to give every benefit of doubt to the cases which come to our attention and which can be treated under one or the other of our programmes. We welcome individual inquiries on behalf of such cases from all hon. members of this House wherever it is felt we can be helpful.

Perfection is an almost unattainable goal, and we are as subject to human error as in any active organization or administration.

There can be no question, however, that all our efforts are directed towards giving fair treatment and every attention to the cases which come before us and need our services. We are ever anxious to lend every support to the problems presented, so that the persons who depend upon us may enjoy as great a measure of happiness and comfort as possible.

On vote 1,701:

Mr. T. D. Thomas (Oshawa): On this vote, the grant to the Victorian Order of Nurses last year was \$80,000, and I was wondering if the organization itself might be more active under the new hospital plan coming in on January 1. I was wondering if the hon. Minister had given any consideration to that, but the organization itself, of course, the nurses will be much more active next year, I think.

Hon. Mr. Cecile: Mr. Chairman, all I might say about this is that the Victorian Order of Nurses were in to ask for an increase in grant, but as we advised them we were introducing the homemaker service, which is completely within their purview of work, so they were satisfied to go along and see how this homemaker service would be working out before making any other appeal.

Mr. Thomas: Would the hon. Minister care to elaborate on the homemakers service, or will he give it to the House at some future time?

Hon. Mr. Cecile: Well, Mr. Chairman, I have introduced the bill today and I intend to make a further statement in the second reading.

Mr. G. Innes (Oxford): May I ask the hon. Minister if this would involve a larger sum to them? Would it entail a greater sum of money? It has been \$80,000 the last 3 years, I believe. Their services have certainly been large. They made 238,000 visits in 1956, and only 20 per cent. of these were paid in full, and 107,746 were free.

Now, I feel that they are really doing a real service to the communities by all these free visits which they have made throughout the last 3 years, and it certainly does not look like too much when each visit costs only \$2.48. It is certainly very, very nominal, and I think we should go along with them in their requests, if possible. I do not see how they could operate in any cheaper fashion if they can make visits for \$2.48.

It is certainly a worthwhile effort, and anything we can do, I know, they will really appreciate.

Hon. Mr. Cecile: I might say, Mr. Chairman, in answer to the hon. member that we have discussed this with the president and the other executives of the Victorian Order of Nurses. Regarding these homemaker services, they can be employed and paid fully for the services up to possibly \$8 a day, so that they will be paid for all services they will be asked to do by the municipalities or those engaged in this, by the counties, whatever body will be interested in this work. So they will be fully paid for all calls, instead of just getting paid for some calls.

As the hon. member noticed, only 20 per cent. of them were paid, and some were paid partly, and others not paid at all. But under this homemaker service any call that they make will be fully paid for, and I think that is where they will be able to do a job and extend their work.

They are satisfied to try out this Act for one year and see how it works out, but we are satisfied at the present moment that it will provide for much more funds, and would be much better, than just a grant to be given out of any kind of an amount, because there would be a steady income coming in for the work they would do.

Mr. Innes: Will they still receive, or have to go to the public, for a contribution as they have in the past? Will they still have to make drives for contributions from individuals?

Hon. Mr. Cecile: Oh yes, Mr. Chairman, because I honestly believe that, regardless of what the state might do, we as individuals and the public as individuals have a responsibility, and surely we do not want to take that away completely.

Mr. F. R. Oliver (Leader of the Opposition): Based on what the hon. Minister has said, in respect to the Royal Victorian Order of Nurses and the part that he anticipates they will play in the new plan, may I ask if it is the intention of the commission, or the government, or the department, to utilize the Victorian Order of Nurses as the main agency in the new plan? Or what part does the hon. Minister have in mind that they should play?

Hon. Mr. Cecile: Well, the hon. leader of the Opposition will note that there is a preliminary explanation to the bill, and I see that the municipalities will be paying their share. We will be paying whatever percentage we decide upon, in the regulation or otherwise, of whatever amount the municipalities will spend for these home services.

Our assumption is that the Victorian Order of Nurses, who have been doing that through the years, would be the logical people they would employ to do that kind of work wherever they are situated.

Then we have the Order of the Sisters of St. Elizabeth here in Toronto. Some other cities might have some other Orders, but if there are not those Orders, well individuals then could be used. Actually, there will not really be a commission, we are making a grant or a part-payment to the municipalities for whatever services are rendered. We will be reimbursing, in other words, the municipality on a percentage basis for what will be spent for these homemaker services. The municipalities will be the ones we are dealing with, because we feel that that level is the proper level to deal with it. They would know who needs those services better than we do.

Hon. members will also note, if they will read the bill after it is printed, that it will also provide for nursing services in the sense of a nurse or in the sense of a housekeeper, or in the sense of a baby-sitter if you wish, anything like that, so there will be no commission to deal with it, it will be dealt with by the municipality.

Mr. A. J. Child (Wentworth): May I ask the hon. Minister a question? There will be a direct relief at the present time under this new Act for the municipality. So, it is possible that a municipality might set up its own department through The Department of Health, or through the department of health in a municipality, and have its own housekeepers or baby-sitters rather than the Victorian Order of Nurses. It is not confined strictly to the Victorian Order of Nurses in other words? The municipalities will get direct relief, is that correct?

Hon. Mr. Cecile: It does not apply to any particular society at all, it might apply to individuals who are willing to do that job.

Mr. Oliver: In other words, the Victorian Order of Nurses are not to be designated.

Hon. Mr. Cecile: Oh no, I am not designating anyone. It might be any corps at all; any group at all, or anybody—if my hon. friend is thinking of the hospitalization plan or something like that, it is nothing like that at all. It is just designed to help defray these costs, and as hon. members know, a lot of these people, instead of going to a hospital for instance, could be taken care of at home, or if the wife is in the hospital, the husband will not have to stay home and take care of

the children, he can continue at his work. A municipality might even employ my friend's wife to do that work, and she would be paid according to the schedule as set up.

Mr. D. C. MacDonald (York South): This is clarifying, but I just want to make doubly certain that I have it straight.

Is the hon. Minister in effect saying that in the expansion of the homemaker service, the details of which we will want to go into later, he is not including the Victorian Order of Nurses as one of the agencies? They continue on with their normal work?

Hon. Mr. Cecile: That is correct.

Mr. MacDonald: The homemaker service is a new development expanding the nuclei of that service as it now exists in some communities?

Hon. Mr. Cecile: The hon. member is completely right, completely right.

Mr. MacDonald: Mr. Chairman, now that I am on my feet, I want to ask the hon. Minister a question with regard to an item which normally is included in this estimate as 1,701, and that is the memorial wreaths of some \$6,000. Unless I have missed it, it is not there now, is it? Has it been switched to another department?

Hon. Mr. Cecile: It has been turned over to my good friend, the hon. Provincial Secretary (Mr. Dunbar) who will be dealing with that. It was felt that might be a better place for it instead of being in The Department of Public Welfare. So the hon. member will find that in the estimates of the hon. Provincial Secretary.

Mr. MacDonald: Mr. Chairman, I have no comment one way or the other, but I want to come back to something which was regarded with some delicacy a year or so ago when it was raised in this House, and that is what appears to be—if my discussions with other hon. members of the Opposition are correct—that the choice or the designation of these wreaths is still made through defeated Conservative candidates instead of the elected representatives—if they happen to be hon. Opposition members. Now is it not possible to get rid of this petty kind of patronage?

Mr. Child: There are not many defeated ones around.

Mr. MacDonald: Does the hon. Minister prefer that I wait until we get to the department of the hon. Provincial Secretary, and we will deal with it when we get there then?

Hon. Mr. Cecile: I do not mind telling the hon. member this, that as far as I am personally concerned, I have never had any requests from anybody, either from the group led by the hon. leader of the Opposition or from any other group in that particular sense. And I have directed the information naturally most of the time to the legionnaires, as a matter of fact, I make it a point—I always did it in my own riding—that the president of the legion of that locality should be the man to be contacted and dealt with.

Naturally, I am not too familiar with the doings of my hon. friends in the other camps of politics, so I take it they get information from those who trust me better—

Mr. MacDonald: Yes, it is easy, because the hon. Minister is on the right side of the House.

Hon. Mr. Cecile: I would expect the hon. member to do the same thing, and if I was over there I would have no kick.

Mr. MacDonald: Mr. Chairman, the point is simply this, it is not a case of direction. The hon. Minister has never received a request from us because the procedure, for which we had documentary evidence a year or so ago, is that a letter came out from the department of the hon. Minister to the legion branches in the various areas, indicating that on such and such a day a wreath will be presented on behalf of the government by the local hon. member. It always happened to be an hon. Conservative member. It never happened to be an hon. Opposition member. It seems to me—

Hon. Mr. Frost: What does the hon. member want? Does he want it to be said that any hon. member of the House is excluded, or what? As a matter of fact, to the best of my knowledge, I have never laid a wreath on any cenotaph, I have always given it to the reeve or the mayor, and what in the world is wrong with that?

Mr. MacDonald: The hon. Prime Minister is getting awfully touchy. Once again he is indulging in this deliberate confusion of the issue.

The point is that if one happens to be on the government side of the House, one's good offices are used for the political kudos that can be had through presenting a wreath on behalf of the government. If one happens to be on the Opposition side of the House, that opportunity does not come.

The hon. member for Brantford (Mr. Gordon) is not here now, but he cited a year or so ago the case of wreaths coming

out to the defeated Conservative candidate in his area—and the defeated Tory candidate called up, "What will I do with it?"

Quite frankly, the hon. member told him to do what he pleased with it, that this is the way the government apparently operates. Now I know this has happened in one or two other instances.

Hon. Mr. Frost: Will the hon. Minister, or whoever runs it, for goodness sake see that every one of the hon. Opposition members gets a wreath to deposit somewhere in Ontario next year? I would be delighted.

Mr. Thomas: Mr. Chairman, I would like to—

Mr. MacDonald: The boiling point is pretty low today.

Mr. Thomas:—say I had a very interesting but amusing experience some two or three years ago. I did not have the pleasure or the privilege of presenting the wreath as the sitting hon. member, but the hon. member of the federal house had that privilege, he was a Conservative. I wonder how the hon. Prime Minister feels about that?

Hon. Mr. Frost: Well, he had just been made hon. Minister of Labour, and that is a pretty good thing for him to do.

Mr. G. C. Wardrope (Port Arthur): Mr. Chairman, I wonder how my presenting all these wreaths would work in my area? We have about 11 wreaths presented the same day, and if I was going to present them all I probably would have to cover about 1,500 miles in one day and lay 11 wreaths.

Now, let me tell the hon. member this, and let him not be so smeary. The hon. member is a veteran the same as I am. Regarding all these wreaths, the secretary of the legion in every place in my area is asked by letter where he wants the wreath sent to. I am not asked. And I lay the wreath in Port Arthur at the request of the president of the legion of the city of Port Arthur. Now, if the hon. member for York South can find any politics in that, I wish he would tell me.

Mr. MacDonald: The hon. member for Port Arthur got up and explained that he had been requested by the department to submit these.

Vote 1,701 agreed to.

On vote 1,702:

Mr. A. R. Herbert (Temiskaming): I would like at this time to say to the hon. Minister

and the Deputy Minister that they and their staffs are to be complimented on the very efficient, complete and humane service they give to each and every case that comes before them in every manner.

Mr. Whicher: Mr. Chairman, I would like to ask the hon. Minister if he would make some remarks about item No. 8, staff training, because I believe two or three years ago there was a very small amount in this item, and I would like to know what they are doing about it now to increase that amount.

Hon. Mr. Cecile: All I can say is that this pays for trainees' allowances, payments of lecturers, and for expenses in connection with instruction courses.

Now, we have done pretty well in this matter, and we are going to continue to do it if it is necessary to spend more some time in the future. But we feel this is sufficient for this year.

As the hon. member knows, last year we created 17 districts in the province of Ontario, and we had to have men or women who could handle that job properly, and this was where our training came in quite extensively. Now that we are settled on this course, we have this just for the general upkeep for anybody who comes along and can do the work for us.

Mr. Whicher: Mr. Chairman, forgetting about the wreaths that are sent to the Canadian legions, what is the \$4,000 grant for? There is a \$4,000 grant to the Canadian Legion, Ontario provincial command.

Hon. Mr. Cecile: Well, that is just for the general services of the entire legion, for all the services they have generally; it is just a grant.

Mr. Oliver: Mr. Chairman, I appreciate the convenience of staff training, and the greater the hon. Minister's responsibilities are, the more need there is of it.

But the interesting thing is that, according to the public accounts in 1955-1956, we spent only \$480, and in 1956-1957 we spent \$100. Now what the department can do with respect to staff training with \$100, I do not know. Now it is raised up to \$49,000. Does that indicate that the hon. Minister is really going to train staff now, and that he has not been paying them before, or what is the picture?

Hon. Mr. Cecile: As the hon. leader of the Opposition can appreciate, with all the surplus services coming in, we need more

than ever men and women who have a specialized mind in this particular thing. I might say that we have not—that is, not so far—completed our courses we are carrying on from year to year. In the last two or three years, to have these people specialized in doing the kind of work they have to do, we have given lectures and I can assure hon. members that this was what the money was used for. I would invite my hon. friend, who is familiar with that kind of work, to attend these courses. I myself found out many things that I did not know anything about, and it is really worthwhile to listen to the lecturers.

We have on our staff some lecturers who have taken special courses through the University of Toronto to enable them to do that very thing—teach the people what is to be done, not only in the fact of knowing how to look for a mortgage some place, or to look for some assets that might be hidden, but I mean that in the field of public relations. Dealing with people is very important, and this course is given to enable these people to specialize.

I do not know if my friend means to say that I have too much money to take care of that course, or that I am not using it for purposes of training these people, but I can assure him that I am, and that I am far from being finished yet.

Mr. Oliver: What I had in mind was this amazing figure of \$100 from 1956-1957. I know that staff training has been going on for years.

Hon. Mr. Cecile: The matter is that we have changed our programme quite a bit, since we have created the 17 districts. Before that, this was all done here. It was processed here by the group of people we had here. Now this responsibility has been changed and the decision rests with the 17 top executives we have in these 17 districts.

Mr. Oliver: The help that they have needs so much more training than what they have over here. I do not want to labour this point, but the hon. Minister knows quite well—and it certainly was in vogue when I was Minister of that department—that we brought in these women to train them as mother's allowance inspectors, and it was quite a good training. Although I do not doubt for a moment that the hon. Minister has proceeded along the line of improving that training and extending it, may I ask how in the world he arrived at a figure of \$100 for 1956-1957? It is impossible for one to believe that his staff training would only cost \$100.

Hon. Mr. Frost: I hate to interrupt the discussion on this estimate to say what I had mentioned, I think, yesterday that we propose to go ahead with The Department of Reform Institutions estimate tomorrow, and that I would announce the programme for Thursday later.

I would like, Mr. Chairman, with the permission of the House, to change that, and have the estimates for The Department of Education tomorrow, and The Department of Reform Institutions on Thursday.

As a matter of fact, we dealt with part of the education estimates the day that the budget was brought down, and subsequently the hon. members have had the opportunity of going over the school grant matters in committee.

Now, I would prefer to alter that for this reason, that tomorrow night we are going to have a night session. I would like to complete the estimates of The Department of Education, and I do not want to skimp as regards time. We are having a night session, and I think the hon. members might want to spend more time on The Department of Education. We are not having a night session on Thursday night, and the estimates for The Department of Reform Institutions could come up at 2 o'clock on Thursday afternoon. That would permit, I think, the Throne debate on both days, tomorrow and the next. I think it would work out better.

Mr. Oliver: Mr. Chairman, as the hon. Prime Minister well knows, it may be that he understands this new system of grants that is to be introduced, if he does he is about the only one, I would think. Now to thrust that department on us tomorrow, after having said we were going to have another department estimates considered, does not allow the proper time for the examination it deserves.

Hon. Mr. Frost: I say to my hon. friend that I would be very glad to have, regardless of the estimates that are being passed here on The Department of Education, to have the matter of the education regulations and grants system further considered by the committee on education. I agree with my hon. friend that it is complicated and difficult, I can assure my hon. friend of that, but I think there will be more opportunity for the hon. members, who are interested in the grant system on the basis upon which it is constructed to discuss it in the standing committee of the House, where we can have Dr. Jackson and the others, who are experts

in that, explain the various matters related to it.

So I would say to my hon. friend that, in connection with the grants, I would be very glad indeed to have that matter considered further in the standing committee, despite the estimates. I think that that would be the best method of handling it.

If we take that item out, as a matter of fact, then there can be a discussion of other matters which are very important in The Department of Education, such as the matter of teacher training and all of those issues in addition to the grant matter.

Mr. Oliver: The hon. Prime Minister is getting the cart before the horse. He is going to consider, he suggests, this grants system in the standing committee of the House after we pass the estimates. Well, that is a most unusual thing. It would be far better to have the discussion in committee, prior to discussing of the estimates.

Hon. Mr. Frost: I say to my hon. friend that I have no objection to discussing it here tomorrow, but the amount of the grants of—what is it?—\$133 million, is a lot of money. The amount of the estimates is one thing, the details as to how that is worked out with the various municipalities and the various school boards of Ontario is another matter.

We have no objection at all to having a full discussion tomorrow in connection with the grant matter here in the House, and then the matter can be further discussed in the committee on education. I think more information will be given to the hon. members by means of a question and answer session with the experts who have worked this thing out over 15 years, than by means of any discussion here in the House. I am quite satisfied with that.

Hon. Mr. Cecile: Going back to this matter of \$100, it was just for sundry matters, it was not for the general course of training which at that time was absorbed instead of being put to a vote as it is being here today. Because it was absorbed by the different branches, it was not marked as such. We have marked this now as staff training, because since last year, we have been making it a more intensive course than formerly. This item of \$100 at that time did not mean any special thing, except for emergency or sundry training.

Vote 1,702 agreed to.

It being 6.00 of the clock, the House took recess.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Tuesday, March 11, 1958
Evening Session

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, MARCH 11, 1958

8 O'CLOCK P.M.

The House resumed.

ESTIMATES, DEPARTMENT OF PUBLIC WELFARE

(Continued)

Vote 1,703 agreed to.

On vote 1,704:

Mr. D. C. MacDonald (York South): Mr. Chairman, there are two brief remarks that I would like to make. This may well be the appropriate estimate to express my appreciation again this year to the hon. Minister of Public Welfare (Mr. Cecile), and particularly to the Deputy Minister (Mr. Band) for his assistance in connection with welfare and related cases throughout the year.

I find, in my capacity as a leader of a party, in addition to being a member for a particular constituency, that I get conceivably more than the normal share of cases in which I am asked to help. It is relatively easy because I just pass it on to the Deputy Minister and the job is done. In fact, in doing something for one of my own constituents, it is so exceptional that we usually have to laugh about it.

But I do want to express once again, without going into any great length, my appreciation for the unfailing courtesy and co-operation in doing as much as the regulations and the law will permit. Sometimes we have differences on that score, but I think that is neither his fault nor mine. We sometimes have to persuade the government to change the regulations.

Now the other point that I want to raise here, Mr. Chairman—and I do not know if the department has given this matter any thought and, if so, whether they can give the House the benefit of their thinking, but it seems to me that each fall when we go through yet another Community Chest drive, the great majority of people once again wonder whether there is not too large a proportion of the financial responsibility being left on private agencies and voluntary contributions to do some of the work being attempted by these bodies.

Hon. W. M. Nickle (Minister of Planning and Development): The hon. member would not do away with the voluntary agencies?

Mr. MacDonald: Let me emphasize at the outset that I agree with the hon. Minister in his comment this afternoon, that I think that there is a role for voluntary agencies, not only in terms of a community recognizing its social responsibilities, but in the enlisting of voluntary assistance in meeting the needs of the community. In doing some of this work through a private agency, inevitably they can draw in not only hundreds but thousands of people.

However, I do not know how one can avoid the conclusion, when one looks at the sort of "rat race" that has to be gone through each year with public appeals, that too large a proportion of this job is being left with the private agency and voluntary financing.

If one looks back at how welfare services have come within government purview, I think that one finds that many of the government services of today were originally pioneered by voluntary agencies. In fact, if we take the retarded children's classes, within our recent experience, we have a good illustration. In the first instance it was pioneered by a voluntary agency exclusively, then at some later stage the need was recognized as being a vital enough one that it was financed, partially at least, by the Community Chest. Finally, as the development went on it became recognized as so part and parcel of the responsibility of society that it should be taken off the basis of voluntary contributions, so that the need will be met in a more assured fashion by becoming a government service.

Hon. Mr. Nickle: He would not eliminate voluntary agencies, would he?

Mr. MacDonald: Was the hon. Minister listening to me?

Hon. Mr. Nickle: Yes, I—

Mr. MacDonald: I just finished saying that, that I would not do away with them.

Hon. Mr. Nickle: Does he not agree that Red Cross and the Daughters of the Empire,

the Community Chest and those things do a very great deal of good and perhaps supplement the effort of the department?

Mr. MacDonald: Perhaps it is my voice, Mr. Chairman. I just finished saying that I agreed with the hon. Minister this afternoon, in his claim that there was a role for voluntary agencies. The history of many of these services is that they started as strictly voluntary agencies. They became partly publicly underwritten through the Community Chest, and in some instances have now become completely or for the most part a government welfare service.

But the question that I want to put to the hon. Minister of Public Welfare is this: Has his department examined the range of responsibilities that are now left with the various agencies in the Community Chest, with a view to taking some of them off the voluntary basis, particularly at the financial level, so that we can escape the kind of high-pressure, tear-jerking campaigns that seem to be necessary to meet the objectives during recent years? Indeed, even with such campaigns, we have discovered that we cannot meet objectives. Has any study been made of this kind of thing in the department?

Hon. L. P. Cecile (Minister of Public Welfare): Mr. Chairman, I think what the hon. member for York South is asking—the question as I understand it—is: Are we studying the possibility of integrating our services with a private agency—

Mr. MacDonald: So they will not be left on a voluntary basis.

Hon. Mr. Cecile: Well, I must say that we have discussed the matter many times with the people concerned with these organizations, and our impression—at least mine—has been at all times that it would be questionable. These organizations even think sometimes that we take a little too much away from them. I hope it never happens that public agencies or private agencies throughout this land cease to operate and that welfare will become strictly a state matter.

I know the hon. member will agree with me when I say this, that each year more of this has been absorbed by the government gradually, and I suppose the day will come—I do not know when that will be—that they may take it all over.

But again, I say that it is just like anything else, if we take away the people's responsibility, the care of their neighbours and all that sort of thing, I wonder what the

outcome would be. I would hate to think that the state itself will be running all the charitable matters that are dealt with.

Now, there are not only the private agencies, there is also the Red Cross, the Community Chest, and also many religious organizations. I certainly would not like to step on their toes in that respect. They do a certain kind of specialized job which belongs to them.

But I can assure my hon. friend that we are constantly in contact with these people, and in a financial way we try to see if we can ease the burden here and there. The hon. member can appreciate with me that I would not, on the converse of the matter, want to give them a blank cheque in that kind of work—like special grants and all that sort of thing—although we would like to help substantially. I guess we have gradually been absorbing quite a bit of responsibility by assisting them to carry out their job. That is the way I like to think about it. We would rather help them with their job than take the whole thing over.

I would like to repeat that we are constantly in touch with these agencies, and we have been able, over the years, to rectify some matters and ease the burden here and there. But as far as I am concerned I do not like the idea of taking the whole thing over.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, I want to be associated with the hon. member for York South in extending our thanks to the hon. Minister and the Deputy Minister and the departmental staff for their co-operation, which is always so freely given.

Now the question that I would like to put to the hon. Minister concerns the collection of over-payments of allowances and pensions. I remember last year, when the hon. Minister presented his estimates, he said this, and I quote:

I believe this is an unjustified practice, particularly in cases where there was no fraudulent intent. I would suggest to the federal authorities that we are quite willing to waive our share of these recoveries if they are prepared to dispense with these practices.

Now, I have found in these particular cases, Mr. Chairman, that not only is the pension deducted on the means test basis, but the over-payments have to be returned, which is a tremendous hardship, I think, on a person getting a pension on a means test.

Now the hon. Minister registered his objection to that last year. I wonder if he has taken up this matter with the federal authori-

ties, particularly as we have had a government favourable to this one, since last June 10?

Hon. Mr. Cecile: Mr. Chairman, I can assure my hon. friend from Oshawa that I have not changed my mind at all in this matter. But as he knows this is a Treasury ruling in Ottawa, and we have stated many times that we are willing to forego our part in it if they will do the same.

Now, although I do not wish to make any political speeches at the present time, I must say that so far, since June 10, I have received some hearing which I could not get at another time. And I have succeeded in clearing up some matters satisfactorily, and I have high hopes that I will continue to succeed, providing that nothing untoward happens that would thwart my efforts.

Mr. J. Yaremko (Bellwoods): I, too, should like to pay a tribute to the hon. Minister of Public Welfare and since the hon. members of the Opposition are doing this this evening, perhaps the hon. members in support of the government can do the same.

The hon. Minister is very modest about the things he has accomplished in the past 9 months. I am prompted to say this because in the federal *Hansard* of October 25, 1957, hon. Mr. Martin, former Minister of National Health and Welfare in the old Liberal government, in being questioned on a particular issue—and that issue was the question of reducing the residence requirements from 20 years to 10 years—was asked by a Mr. McQueen, why it was not done. Hon. Mr. Martin replied:

My hon. friend is quite right. I was not able to persuade certain governments, including the government of Ontario, of the desirability of doing that very thing, but if I had, my hon. friend may be assured I would have taken the step to bring about a reduction in the resident requirement under the existing Act.

I bring to your attention, Mr. Chairman, that that was as of October 25, 1957.

All hon. members of this House will recall that the matter was raised by our hon. provincial Minister of Public Welfare, at the federal-provincial conference in the fall of 1956, and we were all present here in the House on March 27, 1957, when our hon. Minister stated:

May I again say that the 20-year residence requirement is discriminatory and antiquated, and when hon. Mr. Martin

says that he failed to persuade or convince the Ontario government of the necessity of consenting to this reduction in residence requirements, I am afraid that he was confused, that he was mistaken as to who was trying to convince who.

Indeed, Ontario's hon. Minister, on June 7, did enter into the agreement, as it then stood, with the federal government, and the headline in the *Toronto Globe and Mail* of that day was: CECILE BLASTS OTTAWA, BUT SIGNS AGREEMENT.

I may say that I was amazed to find that our hon. Minister of Public Welfare could be aroused to the extent that he would even blast Ottawa, but in this case he was on very sound ground. Not only had Ontario's hon. Minister been trying to persuade the government in Ottawa as to the lowering of the residence requirements from 20 to 10 years, but he had been trying to get other agreements, and again he was successful.

We remember that, in 1956, the province's hon. Minister spoke out for permitting an increase in the maximum income allowable. And today that is the case.

And then, before completing, Mr. Chairman, I would like to pay a tribute to our hon. Minister for what he has done in the way of supplementary allowances. In the spring of 1956, I had conversations with him and spoke in this House of the necessity of increasing supplementary allowances from the \$10 to at least \$20 maximum. I had been trying to persuade him to share it with the municipalities on a 50-50 basis.

All hon. members of this House were pleased when he not only increased the maximum to \$20, but brought in a shareable allowance of 60-40.

Such is the nature of the hon. Minister of Public Welfare that a month ago he increased it quietly and modestly, and the first information I had from him was a letter dated January 17, when without the sound of trumpets or anything, he announced that now the province would share to 80 per cent. the payment of the \$20 supplementary allowance.

An hon. member: Who aroused him?

Mr. Whicher: The hon. member is blowing the trumpets.

Mr. MacDonald: Why not pay the whole thing?

Mr. Thomas: They do in Saskatchewan.

Mr. Yaremko: May I refer to the hon. member for Bruce, who spoke of past accomplishments which his party could point to with pride. I can tell him now, or suggest to him now, that instead of referring to those things, he can now look back with pride that when he was an hon. member of this House, he saw legislation of this kind fought for, and in some cases, almost blasted out of Ottawa.

I wish to congratulate the hon. Minister of Public Welfare, and I suggest to him that he continue to insist—as he stated to the hon. member for Oshawa—on the removal of those things that he thinks are not fair. I have fullest confidence in the hon. Minister that he will insist, and although he may have to blast again, he will do that.

I suggest to him, too, that he go on record as saying to the government which will be re-elected on March 31, that in anything that they do in Ottawa, we will go along with them, as this government has told them since 1954, and that if the government now in Ottawa wishes to reduce the residence requirements to 5 years, then this government will go along, and if they decide to increase the maximum limits of the old age pension from \$55, this government will go along.

Mr. MacDonald: Mr. Chairman, may I ask the hon. gentleman a question?

Mr. Chairman: Mr. Maloney has the floor.

Mr. MacDonald: Oh, has he?

Mr. J. A. Maloney (Renfrew South): Mr. Chairman, do you always have to accede to this hon. gentleman from York South? Does nobody else exist in this House?

Mr. Maloney: I feel, Mr. Chairman, that—

Interjection by Mr. MacDonald.

Mr. Maloney: Now, he is not going back into the bottom of that barrel he has under his seat all the time, I hope. Well, I would certainly be able to get him out of it, I can tell him that.

Mr. Chairman: Order.

Mr. Maloney: Mr. Chairman, with reference to this particular estimate, I notice that my hon. friend's voice is not too good, so I will not try to tempt him too much to get him into debate, which would probably make it worse.

I feel that I would be remiss in my duty if I, as a member of this Legislature, did not pay my very sincere tribute to the hon. Minister of Public Welfare for the very remarkable manner in which he has advanced

the public welfare situation in this province since he has become its hon. Minister.

He, of course, himself, cannot attribute all of that success to what he has done by his own personal desires. But we do consider that this is a humanitarian department, dealing with the humanities and do recognize that the hon. Minister has associated with him, as his Deputy Minister, one of the most outstanding public servants that this province has ever had, a man who, in my conception, has done more for the public benefit and the public welfare of the old people, the blind people, the needy people, those who are in need of assistance, than any other public servant. Therefore, I say to you, Mr. Chairman, that this estimate should go through without any further discussion.

Vote 1,704 agreed to.

On vote 1,705:

Mr. R. Whicher (Bruce): Mr. Chairman, I agree very much with what the last hon. member has said, and I might say this—

Mr. Chairman: We are on vote 1,705.

Mr. Whicher: I am on vote 1,704. I do not know exactly where you are. But I want to say this, that I agree very much with what the last hon. member has said, and I might say, that as far as we are concerned in the Opposition, there is no department of government where we have received more co-operation than we have received from The Department of Public Welfare.

I have a question to ask on item No. 4 of vote 1,704, with regards to the mothers' allowances.

Now, I believe that, this past year, legislation was passed whereby unwed mothers received mothers' allowances for their children. Now what I want to know is this. I believe that it has been the department's policy, where perhaps maybe 2 or 3 children were born, that they have not given mothers' allowance for the reason that they might feel that if a cheque was forthcoming to the mother, it might encourage this sort of thing, and perhaps 4 or 5 children might be born.

Now I would like to know if this is just a policy of the department, or is it law? When does the department pay, and when does it not pay, in this circumstance?

Hon. L. M. Frost (Prime Minister): Mr. Chairman, might I say, on vote 1,704, I noticed that the hon. member for Bruce won from you the right to discuss this item, and I would like to say just a word or two.

Mr. Whicher: He has won it too.

Hon. Mr. Frost: Well, I would say to my hon. friends opposite, that they amaze me. I have listened to my hon. friends opposite on various occasions talking about supplementary old age pensions, and I have made some inquiries tonight, and so help me they never mentioned supplementary old age pensions.

Mr. MacDonald: Let the hon. Prime Minister give us a chance. We never got around to asking yet.

Hon. Mr. Frost: Oh, is that so? Well, I might as well anticipate them then and say this. Back in this House, I recollect in the late 1940's, the old age pension level, at that time, was \$30. As a matter of fact, I could go back before that time, but it was \$30.

Mr. MacDonald: Back in the 1940's, it would be.

Hon. Mr. Frost: That is right. Now, in this House there was all sorts of talk from the other side about increasing the old age pension to \$40. In other words, the province paying the \$10 itself.

I want to tell hon. members that if that had been done, the federal old age pension would never have been raised to \$40. Now last year, there was a lot of talk in here, the fact is, the Opposition went to the people on it, but they did not say very much about it when they got to the people, either one of them—that is the CCF or the Liberals. But in any event, they went to the people with this matter as part of their platform.

Now I say, Mr. Chairman, that if the province had been foolish enough to get into that, the pensions would not be \$55 today. The province would be holding the bag, and instead of being able to put the money where we should put it—in education—we would have been frittering it away on something that the federal government ought to pay. Now I am saying that to the hon. members opposite. I just want to point that out, because we will hear little about supplementary old age pensions at this time.

Now, supplementary old age pensions, of course, should be payable by the province as they are being paid at the present time, in cases of need and hardship where the municipalities are best able to judge the problems of those cases. But I can say, that nothing would be worse, nothing would be greater folly, than to get the province into paying a supplementary allowance across the board, dissipating our resources, and taking the part

that the federal government ought to take. Now, Mr. Chairman, we have taken this position:

If the federal government increases the pension, we will participate at once, and we have done that. That is what we ought to do. I would say that our money, which is limited of course, ought to go into such things as education and development works, for which we are responsible. We should not get spread out into a lot of these other things which are merely another way of dissipating our assets. I just wanted to draw that to the attention of the Opposition.

I had not heard anything about it this afternoon, in the speeches in connection with the introduction of these estimates. I had not heard the usual speeches, I came in here, and vote 1,704 is pretty well over, and I understand that nothing has been said about it, so I raise the matter myself in order to stir up a little trouble.

Mr. Whicher: Mr. Chairman, the hon. Prime Minister evidently throws his finger over this way, not only at our group but at the CCF group.

Hon. Mr. Frost: I pointed at both groups.

Mr. Whicher: Yes, well, the finger does not just come at us. He can point it over there. He says that he does not want to enter fields such as this, he wants to give it away to municipalities for education and all that sort of thing.

I would just like to remind the hon. Prime Minister of this. Of every single nickel that he takes away in the first place from the taxpayers of this province, he has not given one cent away. He took it away first and he is not giving it all back. Let him remember that.

Interjections by hon. members.

Hon. G. H. Dunbar (Provincial Secretary): Say, just a minute. I always waited till the close of every election. I will bet the hon. member a suit of clothes, \$100, that Charlotte Whitton is elected.

An hon. member: What is the hon. Provincial Secretary's vote?

Mr. Whicher: I would just like to reply that. I will bet the hon. Provincial Secretary the suit that he will not vote for her, and if he does and she is elected, it will be the first downfall of the Tory party in Ottawa. He is the man who told me that, too.

Hon. Mr. Dunbar: I suppose the hon. member does not know the difference, but I will tell him now. I have not got a vote in Ottawa. I vote down at the Royal York Hotel, where it is going to count.

Mr. Whicher: If he was in Ottawa he would not be voting for Charlotte.

Hon. Mr. Dunbar: Then I would vote for Charlotte. Will he take me on the suit of clothes, that she will be elected?

Mr. Whicher: I will see the hon. Provincial Secretary right behind the Speaker's chair.

Mr. Maloney: I will told the stakes.

Hon. Mr. Cecile: I believe, Mr. Chairman, that I had a question there about unwed mothers. Thank you, Mr. Chairman. I must tell the hon. member that we do not look with much favour on those cases, when they go past the one, but there are cases of two, and I think we usually depend quite a bit on the discretion of the supervisor in that area, and he knows the situation pretty well. But I must say that we look upon that with great disfavour.

Mr. Whicher: I agree very much with what the hon. Minister said, but what I wanted to get was the legal aspect of this. I mean, he does not have to pay. Does he have to pay for one, we will say?

Hon. Mr. Cecile: We do not have to pay for any.

Mr. Chairman: Mr. MacDonald has the floor.

Mr. MacDonald: Thank you, Mr. Chairman. Two years ago, Mr. Chairman, there were approximately 1,800 to 2,000 supplementary payments being paid on old age pensions. A year ago, there were about 4,700 or 4,800. What is the figure today?

Hon. Mr. Cecile: I am advised, Mr. Chairman, approximately 5,000.

Mr. MacDonald: In other words, it doubled between 3 years ago and one year ago. Do we conclude that, in keeping with the hon. Prime Minister's approach to this, that the department is going to sort of level it off, and not expand this programme any further?

Hon. Mr. Cecile: Well, we feel that, and we have felt, naturally, that it is used mostly for shelter costs and those have risen. That is where they apply, mostly.

Mr. MacDonald: What is the total annual amount that is now being paid out? About \$500,000 as it was a year or so ago?

Hon. Mr. Cecile: Yes, it would be about that.

Mr. MacDonald: \$500,000 is not going to help our education budget.

Hon. Mr. Frost: He means half a million dollars, is that it?

Mr. MacDonald: Not very much to the hon. Prime Minister, not with his \$99.5 million.

An hon. member: That was Rt. hon. C. D. Howe's statement: "What is a million?"

Mr. Thomas: The vote for medical services last year, in the mothers' allowance branch, was \$342,000 and on the old age assistance branch, \$1.32 million. Now they are both lumped together this year, and total \$1.796 million.

Now, I am aware of the arrangements with the government and the medical association. I believe, unless the rate has been changed, an amount of \$1.05 a month is paid into the fund, but what arrangements are there respecting the mothers' allowance cases? How is that worked out?

Hon. Mr. Cecile: It is all in the same category, say \$1.05 for all cases, per person I mean.

Mr. Thomas: Is this money handed over to the medical association? Has the government no say at all in the payment of the amount of money that they receive? Has the government no representation on the way it is paid out? How is it paid out?

Hon. Mr. Cecile: I trust the hon. member understands that we have an agreement with the medical association, and we have full authority to visit the accounts at any time. Our accountants see to it that we do too, and we found that it has worked out pretty well.

Mr. Thomas: Mr. Chairman, are they paid 100 per cent. of the bill they send in to the association?

Hon. Mr. Cecile: Oh no. I am advised that it varies between 75 per cent. and 100 per cent.

Votes 1,704 and 1,705 agreed to.

On vote 1,706:

Mr. Maloney: In this respect, may I, as the representative of the riding of Renfrew South, pay my very particular tribute to the hon. Minister, and to his very efficient department, for the manner in which they have helped in the completion of the work which

has been done in connection with our home for the aged in Renfrew county? I understand that approximately 162 or 163 beds will be provided for older people, and it is an aid that has been long needed. I know that the people of Renfrew South will again be very deeply indebted not only to the hon. Minister but to this government for the wonderful welfare work they are doing in this branch of government.

Mr. G. C. Wardrope (Port Arthur): Mr. Chairman, might I say a word of congratulation and thanks to the hon. Minister and his staff. I was glad to hear his Deputy Minister mentioned today, because I have had so much help from him through the years. We have a beautiful new home for the aged. I would like to tell the hon. member for Renfrew South that, if he has one that equals it, he is going to be very pleased indeed.

It holds 153 patients, the beautiful rooms are up to date in every way, and the look of happiness one sees on those old folks when one goes up to that home just does the heart good, and shows what looking after the humanities means in this great province of ours.

Now, I often tell this story, Mr. Chairman, and I am going to tell it again. The old age pension and senior citizens' homes were started in 1919 in England. Lloyd George was the Prime Minister—

Mr. Thomas: He was a Welshman.

Mr. Wardrope: And a Liberal. However, they were taking a vote on it, and this arrogant old gentleman stood at the door of the polling booth questioning every one of the people who entered to vote and asking if they were going to vote for that "charitable handout." He questioned one little old lady, asking if she was going to vote for this charity, and said:

"The next thing that Lloyd George is going to promise you is a free trip to Heaven."

She said: "No sir, I am sure he can't do that, all he is trying to do is make the waiting room a little more comfortable."

Mr. Chairman, I think that this story depicts what we are doing for the old folks in this province. That is one of the things I am most interested in, is to witness the care and the happiness that those in their later years of life are experiencing today. Let us not forget that they have earned it, and have paid for it through their working

years. It is no gratuity, it is nothing in the way of a free gift. They have earned it.

I am certainly pleased to see that this government is taking the responsibility of seeing that our senior citizens are happy and well housed and cared for, and are now getting a pension that is fairly decent, which they did not have before June 10 of last year.

Mr. Thomas: I wonder if the hon. Minister could tell us how many homes are under construction at the present time, and how many are projected for the year 1958?

Hon. Mr. Cecile: We have 6 brand new ones and 15 under construction, I see, and there are some in the planning stage. I could not tell the hon. member exactly how many because I do not know them all yet, they have not made formal application except through telephone calls. On the agenda are also a few charitable institutions to be erected by the different churches, the houses of providence and so on.

I know there is one here in Toronto, there is one also in Kingston going up, and we have information about others, and there have also been some inquiries from some other groups about possible erection of homes. So I think that, all in all, we are quite satisfied with the progress being made and my great hope is that we will eventually have one for every county in the province of Ontario.

Mr. Maloney: May I invite the hon. Minister to come down to Renfrew, when the new home is going to be opened there in the very near future, I understand, or in the spring of this year?

Hon. Mr. Frost: We will all come down—

Mr. MacDonald: —and give the schools a holiday.

Votes 1,706 and 1,707 agreed to.

ESTIMATES, DEPARTMENT OF PUBLIC WORKS

Hon. W. Griesinger (Minister of Public Works): Mr. Chairman, to assist the hon. members of this House in becoming better acquainted with my department's programme of capital works, I have prepared a booklet for the assembly, which provides in detail the major work items which have been brought to completion this fiscal year, and new work items on which we are planning to make a start.

These work items are so numerous that it would be impossible for me to acquaint hon.

members with the many undertakings which are being carried forward, but I would like to take just a few moments to touch on a few of the items to illustrate the programme upon which we are engaged.

In the fiscal year now approaching its close, Ontario's public services have achieved an all-time high in point of volume and scope of benefits and assistance rendered, and expenditure for the employment of workmen and purchase of materials necessary to carry on these services. Now, with a large, carefully planned expansion programme well established, a period of still greater accomplishment is in prospect for 1958-1959.

The Department of Public Works has of necessity to play an increasingly important role in the services of the government, in order to keep pace with Ontario's unprecedented developments in industry and commerce, farming, mining, and communications reaching out into undeveloped areas of the north, and the attendant increase in population, thus requiring new roads, extended policing, educational facilities, hospital and other services. The Department of Public Works' particular role is that of providing new buildings, and engineering and planning services to meet the growing needs of the various departments of government.

Consequently, we are endeavouring to provide the best facilities to enable the various departments to carry out their responsibilities, with which they are entrusted by this House under various legislative enactments, with the best accommodation and equipment which we can obtain.

For The Department of Agriculture

With this purpose in mind, we are advancing construction of the new gymnasium and physical education building at the Ontario Agricultural College, Guelph. At this college, a new extension to the power plant is well under way; construction progress of the new soils building, in the science building group, has advanced rapidly, and a new vehicle storage and service building is also under construction.

We plan to undertake the construction of unit No. 2 of the science building group, commencing with the erection of a new biology building. We also plan to erect a new chemistry building, which will be one of the component buildings of unit No. 3 of the science buildings group.

At the Ontario Veterinary College, Guelph, a new medical-surgical building, and a new radio chemical laboratory, are under construction.

Good progress has been made on the construction of the new poultry service building at the Kemptville Agricultural College. At the Ridgetown Experimental Farm, substantial renovation of the seed storage building is under way.

At the New Liskeard demonstration farm, we contemplate a new building to accommodate administration offices, laboratories and auditorium.

For The Department of the Attorney-General

The needs of the growing population in "old" Ontario, and the spread of population to northern areas, have necessitated an extension of the Ontario provincial police services. And consequently, distribution of the expanded force requires new district headquarters' buildings at strategic points, plus detachment buildings, garages and housing units.

For The Department of Education

In the field of education, construction is well advanced on a new junior school and students' residence at the Ontario School for the Deaf, Belleville. A new laundry building, and a new staff residential dormitory, are also being added to the buildings at this institution, with construction of these two structures commencing late in the year 1957.

Excellent progress has been made on the construction of the new teachers' college at London.

A site has been purchased for the future construction and establishment of an Ontario School for the Deaf, Milton.

Construction of unit No. 1 of the new building group for the Ryerson Institute of Technology, Toronto, is well advanced and is rapidly nearing completion, and we contemplate starting construction of unit No. 2 of this building group to accommodate 1,500 students very shortly.

Three buildings at 21 Nassau Street, Toronto, are in course of being converted for use by the Institute of Trades.

The contracts have been let with construction to start immediately on a new teachers' college to be called the Lakeshore Teachers' College, New Toronto.

At the Ontario School for the Blind, Brantford, a new addition will be erected to provide an assembly hall and musical training centre.

Tenders will be called shortly for the construction of a two-storey and basement addi-

tion, and renovations to the existing school building, at the Provincial Institute of Mines, Haileybury.

For the Department of Health

I think I can safely say that everything is being done by the government to provide for our people the best and most modern facilities in hospitals and hospital equipment.

Brockville: Construction work on two new pavilions for male and female patients, to be known as continued treatment pavilions, is nearing completion. It is also planned to construct an additional two wings to Elmgrove dormitory, and fireproof the existing buildings.

Cedar Springs, Chatham: A site for the new Ontario hospital training school for retarded children was purchased some time ago and the contract let. Construction work is commencing.

The building site contains about 375 acres of land, most of which will be situated on the north side of highway No. 3, while some of it will be located between highway No. 3 and the north side of Lake Erie, about 3 miles westerly from Cedar Springs. The buildings which are to be erected as a first stage development for this hospital will accommodate about 1,300 patients, and when completed will eventually comprise and consist of the following units:

Administration buildings, a small school, a gymnasium and other recreational facilities, central dining hall, kitchen, with sleeping pavilions, and bath houses for 450 male and 450 female children. The northerly part of the hospital will comprise a medical-surgical and treatment building with bed accommodation for 200 male and 200 female children patients.

Cobourg: An extension to the kitchen and dining hall building to expand the accommodation of this Ontario hospital is under construction.

Hamilton: A new power house is under construction at this hospital, and a new laundry building to expand the facilities was commenced in November. The contract has also been let for the construction of a new 600-bed hospital with construction to start immediately.

Kingston: At this Ontario hospital, construction is well advanced on the new 500-bed hospital group to house the administration, reception and active treatment block, the male and female infirmaries, and the kitchen and dining hall building.

New Toronto: Additions and alterations to the central building, to provide new, enlarged, and completely equipped kitchen and dining facilities, are under way. A new food service building is also planned.

North Bay: Construction is under way on a new regional laboratory building on the grounds of the Ontario Hospital, North Bay. We are planning to erect two new pavilions to be known as the M-3 and F-3 buildings, as well as a medical-surgical building.

Penetanguishene: Construction of the new extension to the criminally insane building at this Ontario hospital is well under way.

Port Arthur: A programme of works similar to that at North Bay is contemplated for this Ontario hospital. Two new pavilions, to be known as M-3 and F-3 buildings, are to be constructed, and a new medical-surgical building is being planned.

St. Thomas: Construction work is in progress for a new addition to the power house to accommodate an emergency generator plant for this hospital.

Thistletown: The hospital buildings at Thistletown, formerly maintained by the Toronto hospital for sick children, were taken over and, following extensive renovation, occupied by The Department of Health in January of this year.

Whitby: Construction of new additions are contemplated for this hospital, to add ward and insulin treatment accommodation for 56 patients, and needed space for doctors and administrative offices. This work constitutes 5 one-storey wings to be added to the reception building.

Woodstock: Considerable construction work is under way at this Ontario hospital. Good headway is being made at the chest diseases' division and active treatment building. A building to accommodate the new pasteurization plant in the epileptic division is under way, and good progress has been made on the addition to the power house, and also on the new trades building. Construction of a new piggery at the Deller farm has commenced.

For The Department of Highways

In keeping with the large programme of highway construction, it is necessary to provide many administrative units across the province, and these consist of office buildings, divisional garages, stores buildings, and maintenance shops in many locations as listed in our works programme. Construction, as mentioned, progresses at such points as Bancroft, Burwash Road (McFarlane Lake), Chatham,

Ear Falls, Hearst, Kingston, Marathon, Ottawa, Red Lake and Downsview.

We plan two new administration buildings at the Keele Street and Wilson Avenue site in Toronto, one for The Department of Highways and the other for The Department of Transport.

For The Department of Lands and Forests

We are continuing to provide The Department of Lands and Forests with additional administration and other types of buildings, and works for scientific research in connection with forestry and wild life, as well as fire protection and prevention, and housing for personnel.

At Fort Frances, construction of a two-storey and full basement district office building is well advanced, and a new administration office and radio workshop building at the southern research station at Maple is well under way.

At Sault Ste. Marie, we are planning to add to the facilities with a new addition to the forest insect laboratory. Various chief rangers' headquarters buildings are to be constructed at such places as Parry Sound, Timmins and Geraldton.

For The Department of Mines

Construction of the new mining recorder's office building at Kirkland Lake is well advanced, and a new office building for Kenora is in the planning stages.

For The Department of Public Works

Additional accommodation for the many departments of the government is of prime importance, and this work will continue to be developed. A new 10-storey head office building for the Ontario hospital services commission will be built at once, at a location on Yonge Street, Toronto, just south of Eglinton Avenue. We also contemplate making a start on an addition to the Treasury building at Queen's Park.

It is also planned to renovate completely the recently purchased Canadian Oil building, located on Richmond Street, Toronto, to provide a new government office building. A new central garage will also be provided on Breadalbane Street, Toronto, when extensive alterations to the old "Canada Carbon building," in conjunction with additional construction, is completed.

Erection of an Ontario government branch office building at Lindsay is now under way.

A new Ontario government branch office building at Windsor is in the planning stages.

At Mimico, a building to house offices, shops and stores is well advanced on the site of the existing regional buildings.

Construction work progresses on the new public works warehouse and office building at Orillia, and is nearing completion.

For The Department of Reform Institutions

The construction of new buildings is under way at various locations throughout the province for The Department of Reform Institutions, and a programme has been planned to provide additional buildings at the various institutions to meet the necessary requirements for this department.

Construction of a security wing is under way at the Rideau industrial farm, Burritt's Rapids. The building will be one wing with full basement.

A new staff residence is under construction at the industrial farm, Burtch.

At the industrial farm, Burwash, camp No. 5, construction is in progress on the new 200-bed dormitory and cells group. This group consists of a 2-storey, "U" shaped main building, a 3-storey administration wing and, centred between the wings of the main building, a 2-storey structure to contain dining and food preparation areas. Also included in the project is a building to house steam generating boilers and water pumping equipment for the new building.

The new training school for incorrigible girls, at Galt, was completed early this year ready for occupancy.

The new training school for incorrigible boys, at Guelph, was completed and occupied by the reformatory staff and inmates.

Renovation of the kitchen and staff dining room areas progresses at the Ontario reformatory, Guelph.

The new Ontario reformatory at Millbrook was completed.

Construction is well advanced on a fourth dormitory building, to be known as No. 2 dormitory, at the Ontario reformatory, Mimico.

A new house, unfinished inside, together with 8 acres of land, was purchased in November for conversion to a new training school for girls at Port Bolster.

For The Ontario Water Resources Commission

Construction has started on a new administration and laboratory building for the Ontario water resources commission, located on the south side of highway No. 401, west of the

Humber River, in the township of Etobicoke, to accommodate this newly formed department.

From what has come before, hon. members will therefore realize the vast programme of construction that will be following in the next fiscal year. Providence has provided us with a beautiful and wonderful place in which to reside, blessed with abundant resources, fertile fields, forests, streams and mines. Our obligation is to develop these resources for the benefit of all our people, and by our industry, integrity, and co-operation, make the year 1958 a year of great achievement. I am sure that the hon. members of this Legislature appreciate, and fully realize, the importance of the submission of the following estimates for the endorsement of this House.

SUPPLEMENTARY REPORT, ONTARIO WATER RESOURCES COMMISSION

During the past year, acceleration was given to the activities of the Ontario water resources commission. Up to February 28, 1958, agreements and commitments entered into included 23 projects at an estimated cost of \$15,124,213, involving 13 water projects totalling \$5,662,481, and 10 sewage projects totalling \$9,461,732.

It will be apparent from the accompanying list that considerable progress has been made in providing water to municipalities. Engineering studies have been completed in a number of areas where there is need for a water supply, and the commission is continuing to make studies of wide areas to indicate to these municipalities how water can be obtained, and what the cost will be.

Similar efforts have been made to deal with pollution abatement. The sewage work included in these projects will aid materially in this direction. Many other projects, including sewage treatment, will be undertaken in the immediate future. Some of these will provide services for the large communities which must discharge wastes into adjacent watercourses. The commission has an intensive programme under way for research and pollution abatement, all of which will add to the water resources of this province.

I will deal with the activities of the commission under 3 headings: Completed, Under Construction, and Pending.

Completed: Of the 23 projects mentioned, 3 have already been completed, namely at Port Perry, Havelock and Sunderland (Brock township), all of which are for water sup-

plies. The cost of these operations is as follows:

Brock township (Sunderland), water works system	\$ 97,300
Havelock, water works system.....	184,600
Port Perry, well and supply main.....	62,731
	<u>\$ 344,631</u>

Under Construction: Considerable progress has been made in providing water supply and sewage treatment facilities to municipalities. As an example, in the county of Essex, there are two major projects now under way to bring a water supply from the lake. One is at Harrow, the other will supply water to Leamington, Essex and adjacent township areas. They are as follows:

WATER

County of Essex (Essex, Leamington, Mersea, Gosfield North, Gosfield South, Maidstone), integrated water scheme including pipeline from Lake Erie	\$ 3,146,000
Bancroft, water works system.....	246,300
Harrow, water works system.....	510,600
Dresden, water supply works.....	167,500
Essex (town), standpipe.....	106,000
	<u>\$ 4,176,400</u>

SOME MAJOR SEWAGE WORKS

Toronto township, trunk sewers and treatment plant	\$ 1,752,800
Stratford, treatment plant.....	888,600
Streetsville, treatment plant.....	336,000
Richmond Hill, extension to treatment plant	354,400
	<u>\$ 3,331,800</u>

Pending: In addition, there are many projects for both water and sewage which are pending. A number of these are close to the agreement stage and are as follows:

WATER

Richmond Hill, additions to present system	\$ 224,000
Winchester, supply project including well	225,000
Markham township, extension to existing system and well	458,700
Frankford, water system with well.....	113,000
Alfred, renewal present system and well	120,750
	<u>\$ 1,141,450</u>

SEWAGE

Trenton, sewage system with treatment plant	\$ 434,000
North Bay (with townships of West Ferris and Widdifield), sewers and treatment plant	2,130,000
Frankford, sewers and treatment plant	162,000
Brantford, treatment plant	2,910,000
Korah township, interceptor sewer.....	43,000
Coniston, sewage system including treatment plant	450,932
	<u>\$ 6,129,932</u>
Grand Total	<u>\$15,124,213</u>

On vote 1,801:

Mr. T. D. Thomas (Oshawa): The salaries for the main office last year were \$740,000, this year \$1.06 million, well, that can be

explained, I suppose, but what I would like the hon. Minister to explain is the great increase in the amount for travelling expenses. Last year, the appropriation was for \$20,000; this year, it is \$65,000.

Hon. Mr. Griesinger: If the hon. member will compare the old book with the one for 1958, he will find that vote 1,801 this year includes vote 1,802 of the year before. We have put several groups together in one vote this time.

Mr. A. R. Herbert (Temiskaming): I would like to take this opportunity of expressing my appreciation to the hon. Minister, particularly for the remarks he made about the additions to the provincial institute of mining at Haileybury. As this assembly perhaps knows, this school has turned out many students, and today they are coming from distant parts of Canada and from foreign countries.

The accommodation is very limited, the students are trained on the ground floor, you might say, with the mining activities in Cobalt, and they are selected and employment found before they complete their course.

I thank the government and The Department of Education for having given this so much attention.

I also want to thank the hon. Minister for the remarks he made about the administration building in New Liskeard. We are very proud of our experimental farm and the projects that they have undertaken, particularly in recent years, including the raising of beef cattle in the north country.

Vote 1,801 agreed to.

On vote 1,802:

Hon. Mr. Griesinger: I would say to the hon. member for Oshawa that vote 1,802 will be somewhat similar to 1,801. This year it includes last year's votes 1,803, 1,804 and part of 1,805 and 1,807, so that the salaries are all together.

Vote 1,802 agreed to.

Votes 1,803 to 1,805, inclusive, agreed to.

On vote 1,806:

Mr. R. Whicher (Bruce): On item No. 2 of this vote, \$840,000, how much was spent in this past year on that particular item?

Hon. Mr. Griesinger: Ontario water resources commission salaries?

Mr. Whicher: Yes.

Hon. Mr. Griesinger: I will get that in just a moment. About \$400,000 to date.

Mr. Whicher: What was it spent for, what projects last year?

Hon. Mr. Griesinger: This is for the salaries of the commission, the employees, they have been building up their organization for the past year. Does the hon. member want a breakdown of it?

Mr. Whicher: That is all right.

Mr. Whicher: On item No. 3, there is a matter of \$200,000 to provide for expenses arising out of unforeseen circumstances. Now, what would the hon. Minister say are the unforeseen circumstances?

Hon. Mr. Griesinger: On vote 1,806?

Hon. L. M. Frost (Prime Minister): I would tell my hon. friend they are doing a great job.

Mr. Whicher: I might say this, that I remember very well the hon. Prime Minister standing in this House and telling us that he was going to spend \$2.5 billion, so he might be interested to know what he has spent so far. Further, he is going to get every red nickel of it back, approximately \$15 million, and that in any major project for sewage or water in this province, they have overlooked him entirely and have gone to him only for advice, and they are putting up every dollar themselves.

Now then, does he not think this \$15 million is rather small, compared to the figure of \$2.5 billion that he mentioned in this House only two years ago?

Hon. Mr. Frost: I would say to the hon. member for Bruce that the \$2.5 billion included all of the estimated municipal spendings. I suppose this year probably the total expenditures of the province, including our own, might run to \$75 million.

Mr. Whicher: Mr. Chairman, when the hon. Prime Minister was talking about \$2.5 billion two years ago he was saying to the hon. member for York South (Mr. MacDonald) that he was insinuating certain things. When the hon. Prime Minister stood in this House two years ago, he was insinuating the province of Ontario was going to put up \$2.5 billion.

Hon. Mr. Frost: I did no such thing.

Mr. Whicher: Yes, the hon. Prime Minister did. And I might point out that up to this

moment he has invested in the water resources commission only some \$15 million and that every nickel is guaranteed by the municipalities of this province.

Hon. Mr. Frost: Sure, that is right.

Mr. Whicher: And in reality, he has not given a five-cent piece to them.

Hon. Mr. Frost: Oh, I would not say that.

Mr. Whicher: That is a fact.

Hon. Mr. Frost: I think the hon. member will agree that we are doing a wonderful job.

Mr. Whicher: I think the municipalities are doing a wonderful job in paying for it.

Mr. W. Murdoch (Essex South): Mr. Chairman, I would like to say a word or two about the water resources commission, and the great job they are doing.

But before doing that, I would certainly like to congratulate the hon. Minister of Public Works, I think he has been doing a splendid job over the past years. He has been doing a big job, and I know that he is very interested in the work and is very sincere in everything he does. I think this government can be congratulated on having the present hon. Minister as our Minister of Public Works during this huge expansion period.

Now, we know that the matter of too much water, in some places in the province, and not enough water in other places of the province, was discussed here in this House at length some 3 or 4 years ago.

Since that time, the water resources commission has been formed, and I would like to point out that the first project of bringing water to an inland town from Lake Erie was that which brought water to the town of Harrow.

I might say that at the present time, the pumphouse is under construction, a 4-mile pipe line has been put in the ground from the lake to the town of Harrow, and at the present time the pipes are going through the streets of Harrow, and the 1,800 people will have all the water they need for the first time.

Now this project has cost a little over \$500,000, and it will pay for itself, there is no question about that.

A little farther down the lake, the second pumping station will soon be under way. It is an integrated system which will supply the towns of Leamington and Essex and 4 surrounding townships. I think it is the first

integrated system taken care of by the water resources commission.

And, in this matter the county of Essex, as has happened many other times in the past, becomes the guinea-pig, to iron out all the kinks and so forth. Our personnel will accumulate experience which can be used in other parts of the province.

I might say we are spending, in my area alone, over \$3.5 million and when we consider the need for water over the whole of the province, it is quite easy to imagine that the amount mentioned by the hon. member opposite, running into billions, will certainly be true.

I would also thank one member of the commission particularly, Mr. William D. Conklin of Kingsville, who is a member of the commission.

I think we should also pay some tribute to the councils of the towns of Harrow, Essex and Leamington and the surrounding townships, because the matter of figuring out the costs and so forth has involved a tremendous amount of work. These councils have met with the commission on scores and scores of occasions.

I think it was asked a few years ago which community would be the first in the province to get this pumped-in water. At that time—I quite remember there was quite a clamour—I said that the places, the towns and communities which would get the water first would be those with the initiative to go ahead and prepare themselves to have it first.

On this basis, I would like to point out, Mr. Chairman, that it was right in Essex county.

Vote 1,806 agreed to.

On vote 1,807:

Mr. Whicher: Mr. Chairman, I may as well congratulate the hon. Minister too. Everyone else is doing it, and I am very happy to do it. I just want to know something about item No. 4 of vote 1,806, \$500,000 to provide for grants towards construction of new jails.

Well now, if it is any of our business, could the hon. Minister give us any idea of where this is going to be spent, or anything about it?

Hon. Mr. Griesinger: Last year, a grant of \$1 million, I believe it was, was given to the city of Toronto for an extension to the Don Jail. Then there was another one, I believe, in Brantford, I just forget how much that was, I believe \$17,000; and an-

other one in Whitby, some \$300,000. This \$500,000 is here for the same purpose, to pay the balance of those grants and any new ones that may be brought forward. It concerns Toronto, Brant county, and Hamilton.

Mr. Thomas: Last year, on that same vote, the hon. Minister said that the government was paying 50 per cent. of the cost of the jails in Metropolitan Toronto. Now does that 50 per cent. apply all over the province, or only in Toronto?

Hon. Mr. Griesinger: I think it applies all over. It is something which is usually done by The Department of Reform Institutions, and we pay for it out of public works funds.

Mr. Thomas: I think, Mr. Chairman, the Whitby jail cost \$800,000 if I remember rightly, and they got only \$350,000, that is the reason for my asking the question.

Hon. M. B. Dymond (Minister of Reform Institutions): Mr. Chairman, the matter of the grant to the Toronto jail was linked up somehow or other with the arrangement that was made when the government took over the use of the Concord jail farm at Langstaff. That was why the 50 per cent. of the cost of the Toronto jail came in, it was some arrangement in that regard.

Now, in the matter of the Whitby jail, it was first suggested that the cost of the Whitby jail would be about \$400,000, if the hon. member for Oshawa recalls. At that time, my hon. predecessor, on behalf of the government, undertook to meet 50 per cent of the cost.

When the tenders were finally called as the plans were approved, our department called for certain refinements, or certain more expensive equipment and construction than was first considered necessary by the county council. As a result, the tender was in the neighbourhood of \$800,000. They came to the department then for a further grant, and were granted \$300,000.

Mr. F. R. Oliver (Leader of the Opposition): Although we are long since past the item, I want to ask the following of the hon. Minister, and I hope he will perhaps be good enough to give me the information:

The estimates reveal that we are paying this year almost \$1 million in rentals on leased property for government buildings. For many years, in this province, we have talked about constructing a building that would house many of these services, and as years go on we do not seem to get any nearer to

an implementation of the plan to build a big central building to house these services.

Now, do we have the land around the new Whitby block, is there land there that is available upon which a building could be built? If the land is available, is it not considered good business to construct a building and get away from a lot of these rentals downtown, scattered all over this great big city, where it is hard to get at for people who do not know where these services are housed?

Hon. Mr. Griesinger: We have bought considerable property between Breadalbane and Grosvenor Streets, and that is the intention, to build what we call a service building on those properties. We are planning at the present time to finish the addition to the east block. Plans have been prepared for that. But we have sufficient property to try to bring all the downtown rental places into a central location around Queen's Park, and I think we can do it.

Mr. Oliver: I hope that can be accomplished.

Hon. Mr. Griesinger: Things move so fast we can hardly keep up with them, but we are trying to.

Mr. P. Manley (Stormont): On vote 1,807, I wanted to bring up the question of district headquarters for the Ontario provincial police in Cornwall.

Now that has been requested for a number of years, I believe; I think we have one of the best district police forces there is anywhere in the province of Ontario. A lot of extra work has been brought about in that area, owing to the power project and seaway development, and there has been a request for some time that there should be a new building in Cornwall to house the district headquarters of the Ontario provincial police there.

There have been different requests made to The Department of Public Works to provide that building, and as I say it has been scheduled as new work to be undertaken some time in the future. I notice that, in the works programme for this year 1958, it is again classed as new work requested.

Now I want to ask the hon. Minister just what is wrong with eastern Ontario? Why has this building not been provided? It has been requested for a number of years and is badly needed.

The provincial police do not have the headquarters to house their personnel. They do not have sufficient office space to do the

job they want to do. I do not think their cramped quarters are conducive to good police work.

I think that the people in that area should know just when a building is going to be provided for them. This procedure of holding it over from one year to another, and continually classifying it as a new work order, is just not good enough.

I do not think it is fair to either the provincial police or to that part of eastern Ontario that this district is serving, and I would like the hon. Minister to comment on it, and to give us some assurance as to when we can expect to have that new headquarters building for that detachment of the provincial police in our area.

Hon. Mr. Griesinger: I am happy to say that we have the site for that particular project. However, I would have to speak to the hon. Attorney-General (Mr. Roberts) as to what priority he would want to give it. We work more or less on a priority basis as far as the different departments are concerned. Sometimes those priorities are changed. For instance last year, up in the Blind River area, on account of the growth in that particular section through Elliot Lake, we had to cut back on certain provincial police work in order to build a detachment building up there. These things may happen, but I will try to find out for the hon. member just how soon the hon. Attorney-General would like to have that building constructed.

Mr. G. Innes (Oxford): Mr. Chairman, could I ask the hon. Minister of Public Works a question? Are these detachment buildings, that are being built across the province, standard buildings?

Hon. Mr. Griesinger: They are standard design, yes. They are all designed by architects, they will be standard design. We pick the particular building to suit the site that we purchase.

Mr. Innes: In other words, the department does not have to have a different architect—

Hon. Mr. Griesinger: For new plans all the time, no. We are also using approximately 40 outside architects and engineering firms at the present time. Our staff is not large enough by any means to carry out the programme.

Mr. Innes: Are there any other buildings that the department builds with that \$50 million standard—

Hon. Mr. Griesinger: Yes, many of the hospitals are practically of standard design.

For instance for the hospital at North Bay we used plans similar to those we used at Port Arthur.

Mr. J. A. Maloney (Renfrew South): May I ask the hon. Minister of Public Works a question with reference to this particular item in connection with the hon. Attorney-General's department as it affects Renfrew South. The town of Renfrew has recently been municipalized as far as our police force is concerned, and a provincial police detachment has been established. At the moment, we are renting space in an establishment which was formerly the Renfrew Textiles Limited, and we expect that, after the results which will follow on March 31, the textile industry will increase to such an extent that it will be not only inevitable, but almost absolutely certain, that such a building will have to be instituted for the housing of the provincial police. Also, may I say to the hon. Minister that we would require housing for about 17 officers, and I see no provision made for it in this particular estimate.

Hon. Mr. Griesinger: The only answer I can give to the hon. member is that we are guided by the different departments as to what construction they want undertaken, and at the present time we have nothing from the hon. Attorney-General's department on Renfrew.

Mr. Maloney: May I assure the hon. Minister that he soon will have.

Hon. Mr. Griesinger: Well, let the hon. member get busy.

Mr. Whicher: I hope the hon. Minister will not make a mistake if he does construct these houses and accommodation for the Ontario provincial police, which was evidently the case at Blind River, because I am referring to an article now from the *Blind River Leader* of August 17, 1957, which states that there was a \$94,000 error up there and—

Mr. Maloney: We heard that last year, did we not?

Hon. Mr. Griesinger: That is not—

Mr. Whicher: It is not.

Hon. Mr. Griesinger: \$94,000—

Mr. Whicher: It just happened this summer.

Hon. Mr. Griesinger: That was to bring water and sewage from Blind River and out to the provincial police building, but it was not \$94,000.

Mr. Whicher: What was it then? I mean, how much did it cost the taxpayers—

Hon. Mr. Griesinger: We will have to look it up. We do not have that figure with us, but I will get that for the hon. member if he wants to make a note of that.

Mr. Whicher: Would it not have been better to get the water before they constructed the building?

Hon. Mr. Griesinger: Well, the growth up in those areas up there has been such that—

Hon. Mr. Frost: There are 30,000 people there.

Mr. Whicher: How much money did it cost the taxpayers for this mistake that was made? That is all I want to know.

Hon. Mr. Griesinger: It was not a mistake. We would have to join up with the Blind River sewage and water system anyway.

Mr. H. F. Fishleigh (Woodbine): Mr. Chairman, I would like to say that some of the hon. members, in congratulating the hon. Minister, were a little flippant, and I would like to say that some of the hon. members do not appreciate the job the hon. Minister is doing.

This book, which contains these items, contains millions of dollars' worth of construction, and we are mighty lucky in having a man like the hon. Minister to undertake this work, and I see that he has his staff here, and I hope they do not go away feeling that we are not taking this seriously, because we certainly are.

As a matter of fact, if we had to have a man such as the hon. Minister in private enterprise, he would be very highly salaried indeed. I know of one man, responsible for making contracts not nearly as large as these we have here, who earns \$250,000 a year. Now, that is the kind of man we have—a \$250,000 man doing a \$500 million salaried job. I do not think that is out of proportion at all. Personally, I do not know why he stays here, but anyway, I for one do appreciate it, and he is doing a terrific job which will give thousands of people work during this coming season.

Mr. Whicher: On vote 1,807, this is a \$50 million bill here, so I think we should have a question or two on it.

Now, in the estimates for 1957-1958, this department budgeted for \$45 million for public buildings, and \$15 million for the water resources. On page A4 of the budget presenta-

tion, the government says it will spend \$45 million.

Now, what I would like to know is this, where did the \$14 million go? Last year, the hon. Minister budgeted for \$60 million—\$45 million for public buildings and \$15 million for the water resources—and he spent only \$45,887. What I would like to know is, where is the \$14 million? Where did it go?

Mr. Fishleigh: Well, it was paid—

Mr. MacDonald: That is just what I was going to say.

Mr. Fishleigh: If they spent it, they have money in the bank.

Votes 1,807 and 1,808 agreed to.

On vote 1,809:

Mr. Thomas: On item No. 2, the remedial work, may I say I was a member of the committee on erosion in 1952, and I think one of the recommendations of that committee was that the government consider granting assistance to municipalities where there was a great amount of erosion. I wonder if this item of \$200,000 means the government is now prepared to grant some assistance to municipalities which are suffering from erosion, in order that they can take remedial measures to correct it? If so, what is the government prepared to—

Hon. Mr. Griesinger: Is that based on shore erosion?

Mr. Thomas: Yes, on shore erosion.

Hon. Mr. Griesinger: Most of the \$200,000 as set up there is to take care of flash floods and things of that kind.

Mr. Thomas: It would not apply to shore erosion?

Hon. Mr. Griesinger: I doubt very much whether it will. We have never taken anything or laid anything out for erosion yet.

Mr. Manley: On vote 1,809, item No. 2, last summer we had quite a severe hail storm in eastern Ontario. It went right across a number of the townships there. The farmers did suffer quite a lot of damage with this hail storm and they waited upon the township council, and I believe the majority of them or possibly all of them did declare it a disaster.

I believe some representation had been made to the government here, that they should contribute something towards those people who suffered so heavily in their crop

damage. But as yet I have not heard that anything has been granted for those people who suffered the damage.

I understand that they did wait upon some of the hon. members and suggested to them that they should set up a fund. I believe that has now been done but as yet I do not think that anything has come through from the government here.

Does the government not intend to contribute anything towards those people who suffered such damage in that hail storm? I understand that this vote did take care of Hurricane Hazel, and I think that those people in the affected area are justified in looking to the government for aid in that respect. I think it is time that those people who did suffer should have some acknowledgement of whether the government is going to assume any responsibility and help them out.

Hon. Mr. Frost: How much did the municipality put up?

Hon. Mr. Griesinger: I had something to do with that—

Hon. L. P. Cecile (Minister of Public Welfare): It would come under The Department of Municipal Affairs anyway, and I had the same thing in my riding, and I guess part of Stormont riding was in there. I understand that the people have collected their money and were advised to go ahead and make the distribution with the committee that was formed. We are doing that, and they have the assurance that as soon as it is completed, the amount will be matched by the government.

That is being done and it is practically completed now.

Mr. Manley: I was talking of the fact that several people spoke to me on the weekend and they told me that they had not received anything yet, in form of payments, from anyone.

Hon. Mr. Frost: Surely the hon. member looks after his own business.

Mr. Manley: I certainly do. That is why—

Hon. Mr. Frost: I say to my dissatisfied hon. friend that the arrangement that is made by this government has never been done by any other government. We match 50 per cent. or 100 per cent. of the givings of the municipalities, and any other private organizations which send their money to the municipal committee in an affected area. Now, when the municipal committee makes their

payment, then we match it 100 per cent. There has never been a deal like that in history before, no government ever did that before. We have done it in several parts of this province, and I suggest to my dissatisfied hon. friend that he have a look around and see what is going on.

Mr. Manley: I have been looking around and I know what is going on.

Hon. Mr. Frost: Well, he apparently does not know.

Mr. D. C. MacDonald (York South): Mr. Chairman, I do not know whether my question comes under this item or not. The hon. Prime Minister will recall that representations have been made by a conservation, or an erosion, committee along the Niagara on the Lake area, and there is dissatisfaction with what may be the result of the changing in lake levels.

As I recall, the last time I approached the hon. Prime Minister about this, he was seeking a more satisfactory decision from the international body. He said that he would then come to some conclusion about what might be done to meet more fully the representations of this group.

Have there been any developments in that connection?

Hon. Mr. Frost: I would say to the hon. member that, in the meantime, the water levels have gone down, and there is not an erosion problem now, and I point out this, that—

Mr. Whicher: Would that pay the government?

Mr. MacDonald: What goes down may come up.

Hon. Mr. Frost: Did the government arrange that? Well I would not want to take credit for that. We might have arranged that. We do not like to take credit for good weather and rain storms and things of that sort, but the water level has gone down.

Now, my hon. friend from Oshawa knows that is so, that there is not a problem there now. As a matter of fact, the water levels of Lake Ontario have been set. I forget the figures.

A lower figure then, as a matter of fact, was anticipated by the various Hydro boards, and it may be that if the water is controlled at that level the erosion problem will not be as acute as it was.

Vote 1,807 agreed to.

On vote 1,808:

Mr. G. C. Wardrope (Port Arthur): Mr. Chairman, I want to take this opportunity, which is very seldom accorded to me when the hon. member for York South is around, to compliment the hon. Minister of Public Works on the fine job he is doing, and for his extreme generosity to northwestern Ontario. I want him to know publicly that all the hon. members from that end of the province appreciate the splendid work he is doing and I might add my congratulations to his Deputy Minister (Mr. Williams).

Now, many hon. members may not know it, but the Deputy Minister of Public Works is one of the oldest in point of service in this government—one of the most valuable and one of the most respected Deputy Ministers, and I would like to pay tribute to him this evening.

A little while ago, Mr. Chairman, we mentioned the Ontario water resources commission which is a new body. I do not know whether we all realize the value they are to this province.

Dr. A. E. Berry, an outstanding man, who has a great deal of experience and knowledge in these things, just recently in the city of Port Arthur helped lay out a sewage disposal plan that is going to cost in the neighbourhood of \$2 million, and is going to make acres of very valuable industrial land available to our city.

We hope that the project will get under way after March 19, and give work to some 400 men.

Now that is in no small part due to the advice, experience and engineering skill of Dr. Berry and the new Ontario water resources commission, and I just want to mention that because there has been some criticism of this body, and I do not think it is due them. I think it is going to be a great body for the future good of this province.

Mr. Whicher: Mr. Chairman, I want to get back to this \$50 million again, for the construction of new buildings. Now I point out that the hon. Minister was \$14 million out on his estimate in this number. He was out \$14 million in his estimate last year.

Hon. Mr. Frost: Well I do not know what the hon. member means by "out."

Mr. Whicher: Well they did not spend the \$14 million.

Hon. Mr. Frost: Well, then we have it in the bank.

Mr. Whicher: That bank must be nearly full. The hon. Prime Minister may be able to fool a lot of people, but he is not going to fool me on this one.

Hon. Mr. Griesinger: Part of that could be made up by buildings that are under construction and being carried forward into the next fiscal year.

Mr. Whicher: All I know is what is in the budget. The hon. Prime Minister said, in his budget address, that he spent only \$45 million and he budgeted for \$60 million. Now I would like to know if he is going to be out the same amount this year.

Hon. Mr. Griesinger: Of course, the hon. member must appreciate that some of these buildings which are under way take 18 months to 2 years to build, and there will be a carry-over of a certain amount of money.

Mr. Maloney: How much is Mr. Harris out?

Hon. Mr. Frost: He is still out. He was out the whole election.

Mr. Whicher: I think it is only fair, in an item as large as that, that the hon. Minister would break down his estimates into what he thinks he will spend in health buildings, the Attorney-General's buildings, education, lands and forests, and so forth.

Hon. Mr. Griesinger: Agriculture, a total of \$5.8 million; Attorney-General, a total of \$4.45 million; education, \$6.875 million; health, \$15.41 million; highways, \$1.3 million; lands and forests, \$2.35 million; mines, \$140,000; public works, \$10.15 million; reform institutions, \$3.45 million and travel and publicity, \$75,000.

Mr. Thomas: Mr. Chairman, now that we finally got down to the Ontario water resources commission, we were discussing it under vote 1,806. I would like to say, Mr. Chairman, that I think that this commission is doing a very good job. It was about time leadership was shown in this direction. Anyone having an understanding of the need for water services, and the pollution of our lakes and streams, must realize that the leadership was needed.

Now, I would like to ask the hon. Minister this one question, and of course, it is just that I am seeking information. The amount of money this year to be spent is approximately \$15 million. Now the Ontario water resources commission, I assume, takes the debentures from the municipality. What is the lifetime of the debentures and what interest do they pay?

Hon. Mr. Griesinger: I think the majority of these are 30 years, are they not? A 30-year debenture and the interest rate that is paid is what it costs the commission.

Mr. Thomas: In truth, the government is not doing very much, because the municipalities have to pay it all back.

Hon. Mr. Dymond: Well, why should they not?

Mr. Thomas: They do not take credit for spending community—

Hon. Mr. Dymond: Mr. Chairman, may I be permitted to point out to my hon. friend from Oshawa who, I believe, knows very well how much good this is doing. Two small municipalities in my riding have had the two first works put in. Now, they were not big from the standpoint of cost. One cost about \$96,000 and the other less than \$65,000.

I tell you, Mr. Chairman, that if it had not been for an organization like the water resources commission, we could not have had the water because we could not have afforded it. Our credit would not stand the debentures, and we could not have sold them on the market at anything like a decent price.

We do not need million dollar deals where we come from, but \$65,000 is a tremendous amount of money for the people of Port Perry. My hon. friend from Oshawa knows that very well, and had it not been for the water resources commission, we could not have had a water works.

Mr. Thomas: Mr. Chairman, I pay tribute to the Ontario water resources commission for giving leadership. On the other hand, the municipalities, the ratepayers in the local areas, pay the bill themselves, and why should the government take credit for spending \$15 million? Now why should they? Let them give the credit to the local people for spending it. Leadership from the commission, yes, I grant that—

Hon. Mr. Dymond: It is the same as Hydro. They are providing water for us, just as Hydro is providing power.

Mr. Innes: Mr. Chairman, I have a booklet here, the Ontario water resources commission report on the county of Oxford, but I would like to know how many counties in the province have they made a report on, and how extensive the study of stream pollution has been?

Hon. Mr. Griesinger: Three, and some in part.

Vote 1,808 agreed to.

On vote 1,809:

Mr. Innes: Mr. Chairman, pardon me, what is taken after this report is completed?

Hon. Mr. Griesinger: Just what does the hon. member mean?

Mr. Innes: Well, after the report is put out, what action is taken by the water resources commission to implement their suggestion?

Hon. Mr. Griesinger: Well that is up to the municipality. If they are interested in having a waterworks or a sewage deal, they come to the Ontario water resources commission and then it is worked out.

Mr. Innes: They have to apply. There is no compelling on their part, and on the part of the commission, to enforce any pollution control?

Hon. Mr. Griesinger: In some cases, yes, there may be a mandatory order issued.

Vote 1,809 agreed to.

Hon. Mr. Frost moves the committee of supply do rise and report certain resolutions, and begs leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

The Chairman: The committee of supply begs to report certain resolutions and begs leave to sit again.

Report agreed to.

Mr. Speaker: I wonder if the House would be agreeable if we revert to "before the orders of the day" for just a moment. We have, in the House tonight, a very distinguished representative of a sister province, in the person of the hon. John R. Courage, the Speaker of Newfoundland. Now Newfoundland, as hon. members know, is Britain's oldest colony and Canada's newest province.

Hon. Mr. Courage represents the constituency of Fortune Bay and Hermitage, and was first elected in 1949, and was elected Speaker of the Newfoundland Legislature in 1957.

I am sure that we are all glad to welcome this very distinguished guest and visitor from

Newfoundland, who comes to bring the greeting and the best wishes of his province to our government and to our people.

Orders of the day.

THE ONTARIO-ST. LAWRENCE DEVELOPMENT COMMISSION ACT, 1955

Hon. W. M. Nickle moves second reading of Bill No. 83, "An Act to amend the Ontario-St. Lawrence Development Commission Act, 1955."

Mr. P. Manley (Stormont): Mr. Speaker, in connection with this Bill No. 83, An Act to amend the Ontario-St. Lawrence Development Commission Act, 1955, it does add two more counties into the parks system in eastern Ontario. When the hon. Minister of Planning and Development (Mr. Nickle) was speaking the other day in this House, he stated that a delegation came up from Cornwall and brought before the hon. Prime Minister (Mr. Frost) and the cabinet, certain recommendations and certain briefs.

I want to say at the outset that this delegation was received very well. I think that they got a splendid hearing from the hon. Prime Minister and the cabinet, and among the matters discussed at that time was a park in that area.

Now the hon. Prime Minister said that he would look into different phases of the recommendation that was placed before him at that time, that he was going to have certain personnel from the different departments go down and make certain studies in that area, and no doubt that has been done.

Some of the delegates did point out to the government that they were losing quite a good park that the city of Cornwall always utilized, and that was the Auld Park, and they stressed to the government, at that time, that they should have a park to replace the Auld Park, and that it should not be too far distant from the city of Cornwall.

When this bill was introduced in the House, I received a telegram from a group in Cornwall and I would like to read it into the record now, if I might. It is addressed to myself and reads as follows:

WE STRENUOUSLY OPPOSE THE INCLUSION IN THE ST. LAWRENCE PARKS SYSTEM OF ANY ADDITIONAL COUNTIES WHILE THE ORIGINAL MEMBERS, PARTICULARLY STORMONT, THE SITE OF THE POWER PROJECT, HAVE RECEIVED NO BENEFIT FROM DISLOCATION OF OUR AREA. AS RETAIL MERCHANTS, TAXPAYERS, AND VOTERS WE STRONGLY REQUEST THAT THE IMMEDIATE AREA OF THE POWER PROJECT BE

GIVEN FIRST PRIORITY BEFORE ANY BILL BE PASSED TO ADD ANY ADDITIONAL COUNTIES TO THE COMMISSION'S MEMBERSHIP.

This is signed by the retail merchants' association of greater Cornwall.

Now I might say that we have a city now of over 40,000 people, and I think that a park quite close to the city is very desirable. It has been mentioned by the chairman of the St. Lawrence parks commission in the area, at a public meeting at Morrisburg, that as far as he was concerned, his jurisdiction ended at where the parkway comes out into the new town of Long Sault.

Now, there was a further statement to the effect that parks were going to be taken in east of Cornwall, and of course, including lands in those other counties.

I do believe that there should be a full parks system from the Quebec border, taking in that whole area, but what I want to stress to the House at this particular time is that there should be a park in the vicinity of the city of Cornwall.

Now we must realize that there are a lot of people living in the city of Cornwall, especially children and young people, who do not have the facilities to drive any great distance to partake in the facilities of a park any distance from home.

We are going to expect the people of Cornwall to go beyond the new town of Long Sault, and it does entail quite a lot of expense on the part of those people and I am afraid that they are going to be denied the privilege of park facilities.

So I am appealing to the House at this particular time that the parks system should be extended right from the power development itself, whether it is the Hydro that does it or whether it is the parks commission, I think that area right from the dyke right on the west should be included in a park comparable to the rest of the parks system and I would like to have some comments from either the hon. Prime Minister, or the hon. Minister who is responsible for sponsoring this bill, because it is I think, of a great deal of interest to the people in my part of the province.

Hon. W. M. Nickle (Minister of Planning and Development): I can only say this to my hon. friend, that the St. Lawrence development commission is being extended, and it will now be from the Quebec border to the Bay of Quinte and will take in the counties of Frontenac and Lennox and Addington.

Now, my hon. friend from Stormont knows very well that, when he came up here to see the hon. Prime Minister and members of the

cabinet, it was suggested that he should later come back and see the members of the parks integration board, presided over by my colleague the hon. Minister of Labour (Mr. Daley) and the associates the hon. Provincial Treasurer (Mr. Frost), the hon. Minister of Lands and Forests (Mr. Mapledoram) and myself.

Now my hon. friend will recall that on that occasion it was indicated to him that the development of the St. Lawrence parks commission has to be proceeded with, with some deliberation and thought as to what is best for most of the people. The hon. member had two good hearings, and I think that I can safely say on behalf of the hon. Minister of Labour, that we are not unmindful of his very strong representation, and we are giving the problem our very best consideration.

Motion agreed to; second reading of the bill.

THE SANATORIA FOR CONSUMPTIVES ACT

Hon. M. Phillips moves second reading of Bill No. 100, "An Act to amend The Sanatoria for Consumptives Act."

He said: Mr. Speaker, I would like this to go to the committee on health.

Motion agreed to; second reading of the bill.

THE HIGHWAY TRAFFIC ACT

Hon. J. N. Allan moves second reading of Bill No. 128, "An Act to amend The Highway Traffic Act."

Motion agreed to; second reading of the bill.

THE GAME AND FISHERIES ACT

Hon. C. E. Mapledoram moves second reading of Bill No. 117, "An Act to amend The Game and Fisheries Act."

Motion agreed to; second reading of the bill.

THE MINING TAX ACT

Hon. J. W. Spooner moves second reading of Bill No. 123, "An Act to amend The Mining Tax Act."

Motion agreed to; second reading of the bill.

THE MINING ACT

Hon. Mr. Spooner moves second reading of Bill No. 124, "An Act to amend The Mining Act."

Motion agreed to; second reading of the bill.

THE MILK INDUSTRY ACT, 1957

Hon. W. A. Goodfellow moves second reading of Bill No. 125, "An Act to amend The Milk Industry Act."

Motion agreed to; second reading of the bill.

THE FARM PRODUCTS MARKETING ACT

Hon. Mr. Goodfellow moves second reading of Bill No. 126, "An Act to amend The Farm Products Marketing Act."

Motion agreed to; second reading of the bill.

STORAGE OF FARM PRODUCE IN GRAIN ELEVATORS

Hon. Mr. Goodfellow moves second reading of Bill No. 127, "An Act to regulate the storage of farm produce in grain elevators."

Motion agreed to; second reading of the bill.

THE MUNICIPAL ACT

Hon. W. K. Warrender moves second reading of Bill No. 130, "An Act to amend The Municipal Act."

Motion agreed to; second reading of the bill.

THE DEPARTMENT OF MUNICIPAL AFFAIRS ACT

Hon. Mr. Warrender moves second reading of Bill No. 131, "An Act to amend The Department of Municipal Affairs Act."

Motion agreed to; second reading of the bill.

CITY OF TORONTO

Mr. A. H. Cowling moves second reading of Bill No. 26, "An Act respecting the city of Toronto."

Motion agreed to; second reading of the bill.

CANADIAN NATIONAL EXHIBITION ASSOCIATION

Mr. A. G. Frost (Bracondale) moves second reading of Bill No. 27, "An Act respecting the Canadian National Exhibition Association."

Motion agreed to; second reading of the bill.

CHARTERED INSTITUTE OF SECRETARIES OF JOINT STOCK COMPANIES

Mr. J. P. Robarts moves second reading of Bill No. 28, "An Act to incorporate the Chartered Institute of Secretaries of Joint Stock Companies and other Public Bodies in Ontario."

Motion agreed to; second reading of the bill.

SYNOD OF TORONTO AND KINGSTON OF THE PRESBYTERIAN CHURCH

Mr. A. A. Mackenzie moves second reading of Bill No. 33, "An Act respecting the corporation of the synod of Toronto and Kingston of the Presbyterian Church in Canada."

Motion agreed to; second reading of the bill.

TOWNSHIP OF SUNNIDALE

Mr. G. G. Johnston (Simcoe Centre) moves second reading of Bill No. 36, "An Act respecting the township of Sunnidale."

Motion agreed to; second reading of the bill.

CITY OF OTTAWA

Mr. D. H. Morrow moves second reading of Bill No. 39, "An Act respecting the city of Ottawa."

Motion agreed to; second reading of the bill.

CITY OF NIAGARA FALLS

Mr. A. C. Jolley moves second reading of Bill No. 43, "An Act respecting the city of Niagara Falls."

Motion agreed to; second reading of the bill.

CITY OF SAULT STE. MARIE

Mr. C. H. Lyons moves second reading of Bill No. 44, "An Act respecting the city of Sault Ste. Marie."

Motion agreed to; second reading of the bill.

UNITED COMMUNITY FUND OF GREATER TORONTO

Mr. A. H. Cowling moves second reading of Bill No. 88, "An Act respecting United Community Fund of Greater Toronto."

Motion agreed to; second reading of the bill.

THE DISABLED PERSONS' ALLOWANCES ACT, 1955

Hon. L. P. Cecile moves second reading of Bill No. 101, "An Act to amend The Disabled Persons' Allowances Act, 1955."

Motion agreed to; second reading of the bill.

THE BLIND PERSONS' ALLOWANCES ACT, 1951

Hon. Mr. Cecile moves second reading of Bill No. 102, "An Act to amend The Blind Persons' Allowances Act, 1951."

Motion agreed to; second reading of the bill.

THE OLD AGE ASSISTANCE ACT, 1951

Hon. Mr. Cecile moves second reading of Bill No. 103, "An Act to amend The Old Age Assistance Act, 1951."

Motion agreed to; second reading of the bill.

THE MOTHERS' AND DEPENDENT CHILDREN'S ALLOWANCES ACT, 1957

Hon. Mr. Cecile moves second reading of Bill No. 104, "An Act to amend the Mothers' and Dependent Children's Allowances Act, 1957."

Motion agreed to; second reading of the bill.

THE INDIAN WELFARE SERVICES ACT, 1955

Hon. Mr. Cecile moves second reading of Bill No. 105, "An Act to amend The Indian Welfare Services Act, 1955."

Motion agreed to; second reading of the bill.

THE PUBLIC UTILITIES ACT

Hon. Mr. Warrender moves second reading of Bill No. 119, "An Act to amend The Public Utilities Act."

Motion agreed to; second reading of the bill.

THE ONTARIO MUNICIPAL BOARD ACT

Hon. Mr. Warrender moves second reading of Bill No. 120, "An Act to amend The Ontario Municipal Board Act."

Motion agreed to; second reading of the bill.

THE LOCAL IMPROVEMENT ACT

Hon. Mr. Warrender moves second reading of Bill No. 121, "An Act to amend The Local Improvement Act."

Motion agreed to; second reading of the bill.

THE PUBLIC PARKS ACT

Hon. Mr. Warrender moves second reading of Bill No. 108, "An Act to amend The Public Parks Act."

Motion agreed to; second reading of the bill.

THE HOMES FOR THE AGED ACT, 1955

Hon. Mr. Cecile moves second reading of Bill No. 122, "An Act to amend The Homes for the Aged Act, 1955."

Motion agreed to; second reading of the bill.

THIRD READINGS

The following bills were given third reading, upon motions:

Bill No. 9, An Act respecting the city of Chatham.

Bill No. 11, An Act respecting the village of Port Perry.

Bill No. 13, An Act respecting the village of West Lorne.

Bill No. 16, An Act respecting Waterloo College associate faculties.

Bill No. 17, An Act respecting Queen's University at Kingston.

Bill No. 32, An Act respecting the board of education for the city of Sault Ste. Marie.

Bill No. 35, An Act respecting the town of Fort Frances.

Bill No. 40, An Act respecting the city of Fort William.

Bill No. 46, An Act to amend The Schools Administration Act, 1954.

Bill No. 74, An Act to amend The Cancer Act, 1957.

Bill No. 75, An Act to amend The Cemeteries Act.

Bill No. 76, An Act to amend The Tourist Establishments Act.

Bill No. 77, An Act to amend The Municipal Unconditional Grants Act, 1953.

Bill No. 78, An Act to amend The Statute Labour Act.

Bill No. 79, An Act to amend The Highway Improvement Act, 1957.

Mr. Speaker: Resolved that the bills do now pass and be intituled as in the motions.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, in moving the adjournment of the House, may I say there will be a night session tomorrow. I would like to deal with the estimates of The Department of Education and the budget debate and Throne debate. There are some hon. members who still want to speak on the Throne debate. I will consult with the hon. leader of the Opposition (Mr. Oliver) relative to the vote that will be taken on that item.

I think that we might proceed with the debate tomorrow afternoon and leave the estimates to the evening sitting, if that would be all right.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.20 of the clock, p.m.

ERRATA

(Thursday, March 6, 1958)

Page	Column	Line	Correction
604	2	12	Change (Mr. Nickle) to (Mr. Griesinger).

(Friday, March 7, 1958)

646	1	53	Change (Mr. Nickle) to (Mr. Griesinger).
647	2	4	Change "Great camps demand this." to read "The great competition today between tourist areas of Ontario and those abroad demands this."

Introduction to the Study of

History

by

JOHN W. BURNHAM

Professor of History

University of California, Berkeley

Second Edition

1954



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Wednesday, March 12, 1958
Afternoon Session

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1958



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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, MARCH 12, 1958

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. W. A. Johnston (Parry Sound), from the standing committee on mining, presents the committee's first report and moves its adoption.

Your committee begs to report the following bills without amendment.

Bill No. 94, An Act to amend The Mining Act.

Bill No. 123, An Act to amend The Mining Tax Act.

Bill No. 124, An Act to amend The Mining Act.

Motion agreed to.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following: Annual Report of the Inspector of Legal Offices for the year ended December 31, 1957.

Mr. Speaker: Introduction of bills.

THE DEPARTMENT OF EDUCATION ACT, 1954

Hon. W. J. Dunlop moves first reading of bill intituled, "An Act to amend The Department of Education Act, 1954."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill would especially please my good friend the hon. member for Brant (Mr. Nixon) who painted such a picture a few days ago of the sword of Damocles hanging over the heads of fathers of students.

Every contract executed by a person under 21 years of age, that provides for the repayment of a loan paid to such person out of the provincial student aid loan fund, is binding upon such person, and enforceable against him in the same manner and to the same

extent as if he were over 21 years of age at the time he executed the contract.

Now, Mr. Speaker, that requires perhaps a little explanation, which I can give in this way.

The regulations that are being drawn up to accompany this, also provide an explanation of this particular bill. The application form will not require endorsement by any guarantor. The amount of the loan shall be determined by the committee of awards, having regard to all the facts disclosed in the application, but the maximum amount contemplated for a student, during any academic year, is \$500.

At the discretion of the committee and with the approval of the Minister, a loan may be combined with a bursary award in cases of extreme need.

payment of the loan, together with simple interest at 4 per cent. per annum, is to be made at the rate of \$25 a month, beginning with April 1 following graduation.

That is, the student has no interest to pay until he graduates and until April 1 comes around in the following year.

However, the repayment may be deferred at the discretion of the Minister, if the student engages in post-graduate work. Suppose, for example, he finishes here and then says: "I want to go to Harvard for two years." All right, he can go to Harvard, and the payments do not have to begin until he has completed his work at Harvard. We do not need to give him any loan to go to Harvard, let us say, or to any university outside of Ontario.

The maximum amount of the loan outstanding to any student at any time shall be at the discretion of the Minister, but \$2,000 has been suggested as a reasonable limit, except under special circumstances. Loans shall be made available to students pursuing courses of study at present recognized for bursary purposes, and also to those taking university diploma courses, such as occupational therapy, physical therapy and so on.

The basic scholastic requirements shall be third class honours or 60 per cent. To be eligible for a loan, an applicant or his parent

or guardian shall have been a resident in Ontario for at least a year prior to date of application.

ONTARIO ANTI-DISCRIMINATION COMMISSION

Hon. C. Daley moves first reading of bill intituled, "An Act to establish the Ontario anti-discrimination commission."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill empowers Her Majesty, with the advice and consent of this assembly, to establish this commission. Commission means the Ontario anti-discrimination commission, and the Minister means the Minister of Labour. The Honourable the Lieutenant-Governor-in-Council may designate one of the members as a chairman. The Honourable the Lieutenant-Governor-in-Council may fill any vacancy in the membership of the commission, and may fix the remuneration of the members of the commission.

The functions of this commission are to advise the Minister on the administration of The Fair Employment Practices Act, 1951; The Female Employees' Fair Remuneration Act, 1951; and the Fair Accommodations Practices Act, 1954.

In other words, these 3 Acts are grouped together and will be administered by this commission. The commission will also be empowered to make recommendations to the Minister, designed to improve the administration of the Acts mentioned; to develop and conduct an educational programme designed to give the public knowledge of these 3 Acts; and to promote the elimination of discriminatory practices.

The Honourable the Lieutenant-Governor-in-Council may appoint a secretary and such other officers, clerks and servants of the commission as may be deemed appropriate. Also, the Honourable the Lieutenant-Governor will fix the number of members of the commission, and add to or extend the functions of the commission respecting any matters necessary, or advisable, to carry out effectively the intent and purpose of the Act.

THE COUNTY JUDGES ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to amend The County Judges Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the purpose of this bill is to clarify, or to make clear, the judicial appointments that may be made by the Attorney-General to the county and district courts in Ontario, to provide for 6 additional junior judges, and to give jurisdiction throughout Ontario to all judges and junior judges of county or district courts.

THE FEMALE REFUGEES ACT

Hon. M. B. Dymond moves first reading of bill intituled, "An Act to amend The Female Refugees Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the purpose of this bill is this: The Act deals with institutions for the care of females between the ages of 15 and 35, on transfers from jails and training schools, or direct from sentencing courts. As in the case of The Jails Act, the chief official of the department is referred to as inspector, as the Act now stands. That is being changed to bring it into line with modern thinking, having the Deputy Minister as the chief official of the department.

We are asking, in this amendment, for the repeal of sections 15, 16 and 17.

Section 15 provides that any person may bring before a judge any female under the age of 35 who is found begging etc., or is an habitual drunkard, or by reason of other vices is leading an idle and dissolute life, and that the judge, after an informal hearing, may commit the person to an industrial refuge for an indefinite term of not more than 2 years.

Section 17 provides that a parent or guardian may bring, before a judge, any female under the age of 21 who proves unmanageable or incorrigible, and the judge may proceed as under sections 15 and 16.

We are asking that those sections be repealed, because it is felt that they are adequately dealt with in the criminal code, and in other federal and provincial statutes.

THE PUBLIC SERVICE ACT

Hon. G. H. Dunbar moves first reading of bill intituled, "An Act to amend The Public Service Act."

Motion agreed to; first reading of the bill.

He said: This bill will make it possible for any civil servant, leaving a service after 10 years, to take an annuity instead of receiving the cash he had paid in plus interest.

Those in this category may take out an annuity, payable at 60 years of age, for the amount they have paid in. That is the sum and substance of the whole thing.

We have been making real progress with the civil service. That is why people appreciate being in the civil service.

THE VITAL STATISTICS ACT

Hon. Mr. Dunbar moves first reading of bill intituled, "An Act to amend The Vital Statistics Act."

Motion agreed to; first reading of the bill.

He said: Since the public welfare bill came into the House, making it that adoptions should be registered and considered as coming from the wedlock, we must change our Vital Statistics Act. Under the amendment, when a child is adopted, the form, the original form where he has been registered, will be sealed, and kept in case of court action in later years. But so far as the public is concerned, neither they or any person in the office will know anything about this adoption. The child will be registered in the name of the adoptive father and mother the same as if he were born in wedlock.

EXTENSION OF MUNICIPAL FRANCHISE

Hon. W. K. Warrender moves first reading of bill intituled, "An Act to provide for the extension of the municipal franchise."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, I think I should say a few words about this bill at this time.

The genesis of this bill comes from a question that was submitted to the electors of the city of Toronto on December 3, 1956, and a somewhat similar question was submitted by the city of London to its electors. Both were carried by an affirmative vote.

The Toronto question was: "Are you in favour of applying for legislation to extend the right to vote at municipal elections, except on money by-laws, to include all persons not now qualified to vote who have resided in the municipality through the year preceding election day, who are British subjects and who are over 21 years of age?"

Pursuant to this question, the city of Toronto has not applied for legislation by way of a private bill, but has asked for general legislation relative to this question.

May I say that a very great deal of consideration has been given to the matter, which is both involved and expensive, and unquestionably includes matters which could not have been considered by the municipal councils involved, or others by whom representations have been made. There has been no desire to delay or dictate to the municipalities in this regard. As a matter of fact, the reverse has been the government's attitude.

As stated, this has been a difficult and actually an expensive matter for the municipalities which must be paid from taxes on homes and real estate. To put such a principle into effect involves the creation of the machinery and the enumeration to have it done fairly and equitably, because once the right is given to vote, then the right of each individual must be carefully protected.

I should point out that for years the municipal association, the association of mayors and reeves, and the municipalities generally, have asked to be relieved of the cost of the preparation of what is known as part 3 lists. The fairness of the request was recognized by the province in enacting an entirely new legislation and abolishing the part 3 lists.

It must be recognized that this bill makes it optional for the municipalities to incur the obligations that were abolished, and as well other protective obligations, because the part 3 lists never contemplated such persons voting for municipal matters such as the election of municipal council.

The bill which is now introduced, and which will be referred to the municipal law committee, is one which has been prepared in an effort to meet, first of all, the desires of the municipality which proposes that all persons of the full 21 years of age, and meeting the qualifications, should be entitled to vote, and on the other hand, to provide the machinery with which this can be done.

The bill proposes that a municipality which desires to permit all persons who have resided in the municipality for the year preceding the election, and who are British subjects and of the full age of 21 years, may vote on all municipal matters excepting money by-laws, provided the matter is submitted to the electors and is approved of on an affirmative vote.

There are only two exceptions to this provision, namely, the city of Toronto and the city of London, which have already taken votes which may or may not be deemed to be an approval of the plan contained in this bill. In view of the fact that a vote has been held, it is optional for these two municipalities either to bring this bill into effect by a by-law

or, in their discretion, to resubmit it to a vote of the people.

The problem of carrying out the principle of the question submitted to the electors of the two municipalities named has been one to which great consideration has been given, and the bill contains the provisions for that.

One of the first problems to be met was this: If the right to vote were extended to the election of school trustees, how would the name of the person, who is not a ratepayer, be included in the panel of electors, either for public or separate school boards?

After a thorough investigation, it was decided that it would be completely impracticable to determine, by way of enumeration, the panel within which these non-paying persons would come, therefore that feature has been omitted from the Act.

It must be understood that legislation which is entrenched in The British North America Act concerns the rights of certain school supporters, public and separate, within the province. Even the slightest investigation of this matter would indicate that it was quite impracticable to separate, by enumeration, the class of persons, with whom this bill will be dealing, into separate and public school supporter panels, and therefore this matter has been omitted from this bill.

This bill is directed to giving the right to vote to the class of persons named, except on money by-laws, and the following are the main provisions of the bill:

In the first place, the bill provides for a list known as a resident voters list, and this will contain the names of those persons who shall be qualified under this Act to vote for members of municipal councils.

The second provision is that there shall be a question for submission to the electors, which reads as follows: "Are you in favour of extending the right to vote, at municipal elections for members of council, to all persons of the full age of 21 years, who are British subjects and who have resided in the municipality for at least one year, in accordance with The Municipal Franchise Extension Act, 1958?"

There is provision made for an enumeration, which is a very essential part of this bill, and the point is that the enumeration shall commence 60 days before the date fixed for the polling at the municipal election. The duties of the enumerator are then detailed, and there are also provisions for appeal as set out in sections 9 and 223 of The Voters List Act, 1951, which permits a new class

of voter to have his name added to the list, should he be missed by the enumerator.

It is important to note that, under section 7 of the bill, persons entered on the resident voters list should not be counted as municipal electors for the purpose of section 54 of The Municipal Act.

This section provides that in towns, villages and townships, where there are 1,000 voters or more, a municipality is entitled to have a deputy reeve represent it in the county council. By this provision, this would not be permitted, as complaints are being made that the county council chambers are already crowded, and there is a lack of accommodation.

This bill of course, is not mandatory. It is available to any municipality which enacts the same by by-law, and then submits the question to the ratepayers of the municipality. The only exception is in the case of Toronto and London, where it is optional as to whether the question be submitted.

This bill will be submitted to the municipal law committee, where the fullest of opportunity will be given to all persons to discuss all of the details and principle of the bill. If any representations are desired to be made, they may be made to this committee. Copies of this bill are being sent to the Ontario Municipal Association, the Association of Mayors and Reeves, the Northwestern Municipal Association, the Association of Rural Municipalities, and, as well, to all of the municipal councillors in the province of Ontario.

We welcome the consideration and comments of hon. members.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, I am very pleased that the hon. Minister has decided to bring in this amendment. I am reminded that we placed a similar amendment in the first or second week of the session, and I may say this, and I say it reservedly, that if we have brought any influence on the hon. Minister or the government in any way at all, we are very happy to see him introduce this legislation.

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, may I say that we had been considering this matter for some considerable time before the hon. member introduced his bill.

Mr. Speaker: May I remind the hon. members that there is not any discussion on the first readings.

Before the orders of the day, I would like to welcome a very large group of students,

representing the following schools: Norwood Park school, Hamilton; Port Perry public school; Deer Park school, Toronto; and also a group of ladies representing the Queen City Chapter No. 7 of the Order of the Eastern Star.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, I would like to address a question to the hon. Prime Minister (Mr. Frost) based on news stories in this afternoon's papers that came in just before the House opened.

This afternoon's *Toronto Telegram* has a story, the first paragraph of which is as follows:

Former Ontario Mines Minister, Philip Kelly, admitted last night that Mr. McLean, mentioned by CCF leader Donald MacDonald yesterday, in connection with the Northern Ontario Pipe Line deals, is his nephew. Mr. Kelly told the *Telegram*, from his Smooth Rock Falls home, that his family connection was one of the main reasons for his resignation as Mines Minister last July.

Now, Mr. Speaker, I have two questions I would like to put to the hon. Prime Minister. I listened to his explanations, I think extremely carefully, as to why this resignation took place, and he cited two reasons. One was an interest in federal politics and one was an interest in business.

Was the hon. Prime Minister, at any time, made aware of the fact that one of the main reasons why the former Minister of Mines was resigning concerned his family connections with the pipe line deals?

Secondly, the hon. Prime Minister indicated that he had given instructions or orders or requests—I do not know which is the correct word—to hon. members of the cabinet not to have any connections with these stock deals. When he issued these instructions or orders or requests, did they include members of the families of those to whom he was issuing the instructions, and if not, what was the value of the instruction?

Hon. L. M. Frost (Prime Minister): Well, I would say to my hon. friend that, first of all, I have not seen the article in the *Telegram*, nor have I, by the way, had any notice of this question. But that is quite all right with me.

I may say that in the *Toronto Globe and Mail* this morning, I noticed this:

Mr. Kelly said that Gordon McLean [does that register on my hon. friend?] of Calgary is his nephew. He was one of

the original stock holders of the Pacific Petroleum Company and Trans-Canada Pipe Lines Limited.

First of all, may I say that I had no knowledge that Mr. McLean or any other of the promoters was any relative of Mr. Kelly. I had no knowledge of that, but, in any event, I want to ask the hon. member a question in a moment, in response to a question he has asked me. He asked, first, if I knew Mr. McLean was a relative.

Mr. MacDonald: The question I asked was this: Was the hon. Prime Minister at any time made aware of the fact that one of the main reasons for Mr. Kelly's resignation was his family connections in these pipe line deals, because the paper said—let me quote the paragraph:

Mr. Kelly told the *Telegram*, from his Smooth Rock Falls home, that his family connection was one of the main reasons for his resignation as Mines Minister last July.

Hon. Mr. Frost: No, my answer is no. As a matter of fact, that was never discussed with me at all. I had no knowledge that Mr. McLean was a relative or anything of the sort, nor did I know, believe, or think that Mr. Kelly had any stock in the company. I do not know at this moment if he did, and I notice in the paper that he said no.

The second point is this, as regards the cabinet, I think I stated quite directly that the dealings with the pipe line companies, and particularly the negotiations in connection with Trans-Canada Pipe Lines, were not conducted with the companies themselves but rather with the federal government. Neither Mr. Porter, myself, our families, relatives, agents or anybody else held directly or indirectly any stock in any pipe line company, Trans-Canada or any other which by any stretch of the imagination was or is in any way associated with Ontario.

When the Trans-Canada Pipe Lines issues became a fact, it became apparent that they were going to be placed upon the market—and I am again speaking from memory, that the Trans-Canada issue was placed on the market in February, 1957. It, of course, was known some weeks, and indeed some months before, that the issue was going to be placed upon the market. I would say at that time—and that was before there was any real assurance that Trans-Canada Pipe Lines was going to be a fact—that I took the

matter up with each of the hon. members of the cabinet, and I asked them under no circumstances, either by themselves or by their agents or by any other way, to have anything to do with any pipe line stock.

I would say to the hon. member that the purpose of that was just purely this, that I was determined—and I can assure him that this will always be the case as long as I am the leader of the government, and I am sure that my successor will do the same thing—that this government or any successor would be able to do a job for the people without fear or favour. Now, that is it. And I want the hon. member to understand that beyond any shadow of doubt.

I may say, in connection with pipe lines doing business in Ontario—the hon. member should know this—the pipe lines which do business in Ontario go back a very long way in our history. As a matter of fact, Consumers Gas is 100 years old, and its stocks have been traded and dealt in as an investment for at least 100 years.

When it became apparent that pipe lines were going to be financed in Ontario, and it would be some time in the spring of 1957, last year, I issued similar instructions to every hon. member of the cabinet, and I am under no doubt—because I not only spoke myself but I had them checked up separately—that every man here, every hon. member of the government, saw to it that under no circumstances did he hold directly, indirectly or any other way, stock in any of these companies. That is the case and that is the fact, and that is the way it is going to be, and I want the hon. member and everybody else to understand that.

Now, I would just like to ask the hon. member this question. In connection with Mr. Kelly, I had no idea—I mean the paper states that he resigned because his family had an interest in these things—I did not know about that.

Mr. MacDonald: And he offered his resignation twice before it was accepted, he says.

Hon. Mr. Frost: Well, as a matter of fact he was going to, as I understood it, but he did not offer any resignation to me before. But it was well known, as I say, that Mr. Kelly was going to resign for 6 months before.

To the best of my knowledge, I have never met Mr. McLean or Mr. Ferris, or anybody connected with the Northern Ontario Pipe Lines Limited, nor did I ever have any correspondence with them that I can recollect.

May I ask the hon. member for York South this: What does the fact that Mr. McLean, or

somebody else, was a relative of Mr. Kelly have to do with the matter which was raised by him yesterday and the day before? Now Mr. Kelly, in fact, has stated to the press that he has no stock in Northern Ontario Pipe Lines Limited, but let us take a hypothetical case. I jotted down this note as I came in here before I heard this question or anything of the sort.

Let us assume that it is established that the nephew, or whatever relation he was, sold or gave some stock to his uncle. Now, my direction to the hon. members of the cabinet—which I do not think anybody at all disputes—was that no hon. member, with those additions that I outlined, was to hold such securities. I think the hon. members of this House will accept it, that I gave that direction, and I can assure them that I did. I have a very large crowd of witnesses in connection with that.

Now, I have already said that if Mr. Kelly, who knew my direction—I said this the day before yesterday—was unwilling or unable to obey the same, then, in my opinion, he did the right thing in resigning. I want hon. members to bear in mind that I have no knowledge whatever that Mr. Kelly had any such stock, and he himself denies it, and therefore, by raising the hypothetical question, I by no means assume or assert or imply that he did have.

However, suppose it were established that Mr. Kelly in fact did have such stock, and did not obey my injunction. He has resigned and he is no longer a member of the government. As a matter of fact, he is no longer a member of the House. And may I add to this, that no hon. member of the government, directly or indirectly, holds any stock in any of these companies whatever. Now then the question is: What difference does it make if Mr. McLean, or some other promoter, is a relative of Mr. Kelly? What else could be added, or what else could be done, that has not already been done?

I perhaps have answered my own question, but I propound that question to the hon. member, what else could be done?

Mr. MacDonald: I think the hon. Prime Minister has answered it.

Mr. Speaker: May I just say that no question or no approval was given to any remarks made before the orders of the day today, and I would like to say that, from this time on, we will have to enforce the rules, that questions must be placed before the Speaker for his approval two hours before the session opens.

Now the rules say the question must be before the Speaker 24 hours before the session, but we have allowed a great deal of latitude, and I think we should adhere to the two-hour request hereafter.

Hon. Mr. Frost: May I add to what the hon. member has asked, that I had not seen this report in the *Telegram*, and the hon. Attorney-General (Mr. Roberts) has given it to me. This report says this:

In the face of the large profits his nephew had made in the increased value of Northern Ontario Natural Gas stock, Mr. Kelly felt that his position as Ontario Minister of Mines was untenable. "I offered my resignation twice before it was accepted." Mr. Kelly reiterated that he had no stock in Northern Ontario Gas, Trans-Canada Pipe Line, Twin City Gas, Consumers Gas of Toronto, or Union Gas of Canada.

Now I say that there may be truth in what he says. Mr. Kelly did not make any bones about the fact that he was desirous of retiring, that happened as a matter of fact subsequent to December of 1956, that is quite true. When Mr. Kelly resigned, he stated in the letter I read to the House that he was retiring on grounds of business and the reasons that he gave in his letter. Those were the reasons that were discussed with me at the time, and Mr. Kelly did not give me any formal resignation, but he did undoubtedly indicate some months before that it was his intention to retire from the government. He may have taken it that that was a tender of formal resignation. I did not so regard it, but he may have so regarded it. The reasons he gave me were identical with the reasons that he gave me when he did tender his formal resignation in the fore part of July, 1957. Now I think that clears up the situation.

Mr. Speaker: Orders of the day.

The House, on order, resolved itself into committee of supply.

ON THE BUDGET

Mr. D. C. MacDonald (York South): The discussion, Mr. Speaker, we just had did not permit a debate, and I just want to make this one passing comment. The hon. Prime Minister has found some difficulty in giving the fullest explanations of what happened on this, he will appreciate that we in the Opposition side are having some equal difficulty.

Hon. L. M. Frost (Prime Minister): What is the hon. member talking about?

Mr. MacDonald: I will explain in just a minute.

Hon. Mr. Frost: Oh, I see.

Mr. MacDonald: After I made some statements in the House the other day, the hon. Prime Minister got up and said: "If you had asked me any questions I would have told you precisely what happened. Now I will tell you precisely what happened." Then he went to great length to tell of his discussions with Mr. Kelly and so on.

The only point I am making is, I find it a little difficult—after hearing all the details of this explanation from the hon. Prime Minister, volunteered by himself—to discover that Mr. Kelly now adds there was one more reason for his resignation, namely the family connection in these pipe line deals.

The hon. Prime Minister will at least have to recognize that it is a little difficult for us to keep adding these explanations as they come out piecemeal, particularly when this was one of the main reasons, and for some reason or other the hon. Prime Minister was not acquainted with it.

Hon. Mr. Frost: Mr. Kelly says his resignation was because some family connection had shares in the pipe line. It was part of my injunction that no family or other connection should hold them.

Mr. Nixon: How many relatives removed—

Mr. MacDonald: Mr. Speaker, I would like at the outset to extend my congratulations to the government this afternoon for two reasons, one that earlier this afternoon we had two pieces of legislation come down, both of which are in response to either a resolution or a bill which we in the CCF have on the order paper.

This is the kind of action that I must confess we appreciate, and feel that we are playing a real role in getting this legislation. I know our hon. friend, the Provincial Secretary (Mr. Dunbar) will say that the government is moving fast, but I can take him back through the resolutions of the civil service commission for years, and years and years, in which they have asked for an equity in the superannuation fund and never got it. Some two or three weeks ago I thought we would sharpen this issue, and point out some of the illegal procedures that have to be followed because of the fact that they did not have an equity in their fund.

Hon. Mr. Dunbar: Had the hon. member mentioned that?

Mr. MacDonald: Pardon?

Hon. Mr. Dunbar: Had he mentioned that?

Mr. MacDonald: It is on the order paper.

Hon. Mr. Dunbar: Oh, never noticed it. I never look at anything that the hon. member puts on the order paper.

Mr. MacDonald: The hon. Provincial Secretary has a capacity for a blind eye when it suits his purpose, which would trim that right eye—or was it the left eye?—of Nelson.

Now the second reason for which I would like to congratulate the government, or the hon. Prime Minister himself, is on the occasion of his presenting a fourteenth budget. Whatever differences we may have with the hon. Prime Minister, I think that this is a very creditable record. I am very glad that he got back into the field of Provincial Treasurer again because if he had not this year, he would have been outstripped by the hon. Provincial Treasurer of the province of Saskatchewan who brought down his fourteenth budget also. So our hon. Prime Minister was able to keep step by getting back into harness.

But there is an opposite side to this coin, Mr. Speaker, which merits some public recognition and some discussion.

Hon. Mr. Dunbar: I could not reply to the hon. member because I was—

Mr. MacDonald: I am already past the hon. Provincial Secretary, I am onto other issues now.

When this portfolio became vacant with the elevation to the bench of hon. Dana Porter, apparently there was nobody in the ranks of the Conservative party to whom the hon. Prime Minister felt he could entrust this post, and so he has taken it over again.

In fact, if news stories are an accurate glimpse of what is going to happen in the future, we are told that he is going to go outside the ranks of the party, and pick someone from the civil service to become Provincial Treasurer.

Now, it seems to me a very interesting commentary by action, on the part of the hon. Prime Minister himself, that out of all the ranks of some 80-plus Conservative hon. members in this House, he feels that there is no one to whom he can entrust this important portfolio, and therefore—at least, on a temporary basis—he has taken it back into his own hands. The hon. Prime Minister has out-

matched even Rt. hon. C. D. Howe in his hey-day. I do not think Rt. hon. C. D. Howe ever had more than two portfolios, and the hon. Prime Minister has at least 3 at the moment, plus part-time Minister of Health and part-time Minister of Municipal Affairs for relief projects, and part-time Minister of Agriculture for settling tobacco disputes.

As a matter of fact, I think he is the outstanding one-man show in Canadian provincial politics. But are not the burdens getting a little bit great? Perhaps he should share them among these great 80-plus hon. members whom he has in the House, that is, without going outside and recruiting civil servants.

However, I want to get down to the budget itself. It seems to me, Mr. Speaker, that the salient feature of this budget, as with many of the budgets in recent years, is the incontestable fact of our economic expansion in this province.

The Provincial Treasurers have been able, down through the years, to show figures in rather striking illustration of the kind of economic development that has taken place. Anyone will have to admit that these figures are very impressive indeed.

But I think that it is necessary for us to stop and recognize why we have experienced this kind of economic development. We in Canada, and particularly in Ontario, which is the industrial heartland of this nation, have gone through a period of almost 20 years of wartime and of postwar economic expansion. Indeed, in the postwar years, when we were approaching a period of possible economic decline, we found that the economy of this nation was picked up with a pump-priming effort to outdo all previous pump-priming efforts, namely, the annual expenditure in defence of something approaching \$2 billion.

Since defence affects, for the most part, industry, and as Ontario is the industrial heartland of this country, obviously this had an impact on the economic life of this province, conceivably more than on any other province.

The result has been, in this period of 15 or 20 years, a phenomenal increase in revenues, as a direct outgrowth of this economic expansion.

If we go back to the early 1940's in the province of Ontario, our revenues were about \$100 million. This year we come very close to \$600 million, a revenue increase that for the most part—and this is the significant thing, Mr. Speaker—has taken place without tax increases. We have had an increased revenue harvest that came automatically be-

cause of this great economic expansion. In fact, each year there has been something approaching \$50 million more revenue coming in, without any change in the tax structure at all.

In other words, we have had a dynamic economy, an expanding economy, but at the same time we have not had a dynamic tax structure which would take cognizance of the shifts in the economy—the shifts in the economic power blocs within this economy and where the wealth of the province was increasingly to be found.

Now, Mr. Speaker, last year I drew attention to this fact, in discussing the budget, and pointed out that what had happened in the last 10 or 15 years was a gradual shift to corporate income, that as our economic life is developed through great corporations, more and more of the wealth is to be found in corporate income.

Now I know that this kind of information does not fall on very sympathetic ears in this House, but I wonder if I can just drive home how significant this development is by some figures that I happened to come across a few months ago.

In the year 1955, the gross revenue of the Imperial Oil Company of Canada was approximately \$700 million.

The gross revenue of the Canadian Pacific Railway was \$470 million.

The gross revenue of Canada Packers was \$434 million.

The gross revenue of the Aluminum Company of Canada was \$412 million.

In other words, here are 4 corporations, only 4 corporations, yet their total gross revenue is just over \$2 billion.

Just to throw that into perspective, may I remind hon. members that, in the same year of 1955 the total revenue for all of the provinces of Canada was \$1.413 billion. In other words, 3 corporations—Imperial Oil, Canadian Pacific Railway and Canada Packers—those 3 corporations alone had \$200 million more revenue than all of the Canadian provinces put together.

Also may I point out that the revenue of all municipalities in Canada—that is, cities, towns and rural communities—was \$956 million. In other words, that was less revenue than two of those corporations put together.

Now the point I am making is simply this. If we are going to take a look at the economy of this nation and province, let us consider where the wealth is increasingly to be found and therefore where we must get our revenues.

Obviously we must turn to the corporate wealth as being the obvious source for these revenues. As a matter of fact, two years ago—

Hon. Mr. Dunbar: What taxes did they pay, what did they pay in dividends, how many shareholders have they got? They did not put all that money in their pockets.

Mr. MacDonald: I do not know what taxes they paid. But may I point out that the first time he spoke as a financial critic for the Liberal party, the hon. member for Waterloo North (Mr. Wintermeyer) made the comment that obviously, if we were going to have more revenue in the province of Ontario, it would have to come from industry and corporate income—as the hon. Prime Minister pointed out a year ago.

Within a 12-month period, he had switched to the argument that corporation taxes were too high. Now my suggestion is that they are not too high, that we have got to get the money from where the money is, and the result of this refusal on the part of this government, down through the years, to have a dynamic tax policy to match the dynamic economic development, has been that they have not raised adequate revenues, and the result of that in turn has been the kind of debt increase that we have had mentioned many times in this House. Ten years ago, when the hon. member for Victoria became Prime Minister of Ontario in 1948, the debt of this province was \$386 million. In a 10-year period it has more than doubled, and is now going up at such a rate that very shortly it is going to be trebled. In fact, in that first 10-year period, for every day that he was hon. Prime Minister, the debt of the province increased by \$100,000, and now the debt is increasing so that it is closer to \$250,000 a day. Now this is kind of debt increase—

Hon. Mr. Frost: How about assets, did the hon. member look at the assets side of the ledger?

Mr. MacDonald: I agree, I agree, but even the hon. Prime Minister is disturbed about the debt.

Hon. Mr. Frost: Oh well, I am the president, why would I not be?

Mr. MacDonald: The answer to it is that if we are going to keep this debt from getting out of hand, we must raise more revenue, and we have to raise it from where it is to be found.

Now, there are two sources, Mr. Speaker. One of these sources is from tax rental agree-

ments. I do not propose to discuss that any more today because we have discussed it many times in the House this session, and the hon. Prime Minister claims that he has secured a down payment on that extra \$100 million he seeks, and that he will get the rest of it after March 31. We will just have to wait and see.

What I want to turn my attention to is where more revenue can be raised right here in the province of Ontario. There are 4 sources that I want to suggest.

The first is the coporation tax. Now last year, the government took a step in the right direction by adding some 2 per cent. to the provincial corporation tax. I think it was only a step in the right direction.

I admit quite readily that this is not the kind of thing that a province can do until it gets so out of line as to discriminate between corporations in various provinces. Therefore there are obvious limitations upon the increases in corporation income that a province can proceed with. The answer has got to be in some action at the federal level.

I am hoping that, now that our hon. Prime Minister has some influence at Ottawa, conceivably he can get these people in Ottawa to raise the money that clearly they are going to require both for meeting his demands for \$100 million more, and for fuilling that great range of election promises with which they are now dazzling the nation.

I come now strictly to sources of revenue within the province of Ontario, within the power of this government. The first one is a source that I mentioned last year. I raise it again this year for the reason that there has been some interesting developments in the intervening 12-month period—that is the revenue which this government raises from the liquor interests.

A year ago in this House, I drew attention to some new information that had been made available through the Bracken commission report, where John Bracken, former leader of the Conservative party, examined into the liquor situation in the province of Manitoba and made a comparative study in all provinces. Mr. Bracken made a comparison between the amount of revenue that came to the provincial government, as compared with the total sales, the total consumer expenditure on beer, liquor and wine. In this calculation, he came up with the rather startling result that the province of Ontario's revenue from liquor interests—calculated as a percentage of the total sales, the total consumer purchases—was 16 per cent. as compared with, believe it or not, 22 per cent. in the province of

Quebec; 23 per cent. in Manitoba; 28 per cent. in British Columbia and Saskatchewan; 36 per cent. in New Brunswick; and 40 per cent. in Prince Edward Island.

Now, in face of that kind of thing, it was rather encouraging to see that a year ago this government moved to increase the revenues from the liquor interests. They put a tax on the breweries which brought in a new revenue of \$5.5 million. That was in March of 1957. But, Mr. Speaker, the astounding proposition was that, within 4 to 5 weeks, the breweries of this province were given permission to increase the price of beer one cent a bottle, so that their new revenue arising from this price increase was \$12.5 million.

In other words, in March they were taxed \$5.5 million and in April they were given \$12.5 million in new revenue.

I want to remind hon. members that price increases are not unrelated to government action. Again last year I pointed this out—in the report of the 1955 combines commission into the brewery industry, on page 81, this is what they had to say about the situation in the province of Ontario:

But it seems quite clear that the industry, as such, never lost its voice in the establishment of prices and in determining them. The liquor control board never acted on its own motion, but rather on the requests formulated by the trade, or at least after due consultation with the breweries. In effect, it was the brewers who decided what prices should be enforced, and to this end they acted collectively through their official selling agencies, The Brewers' Warehousing Company Limited.

Hon. Mr. Frost: What is that the hon. member is reading there?

Mr. MacDonald: The combines commission report of 1955. I must get down to the nub of the matter, because when we talk about breweries in the province of Ontario, for the most part we are talking about Mr. E. P. Taylor.

Hon. Mr. Frost: I want to say a few words to my hon. friend. I just want to point something out to him because I do not want him spending too much time in proving something that will prove to be without foundation. He is always into that sort of business.

May I say this in connection with the increase of a cent a bottle, or whatever it was, in the retail price of beer in this province.

and in the key sales of beer. I can assure my hon. friend that this was most meticulously gone into. The whole matter was looked at by our auditors and others, and, on the strength of it the liquor control board, of which the hon. member for Beaches (Mr. Collings) is the chairman, approved of that increase. I can assure the hon. member that it was meticulously and carefully done, and that all the figures are available.

Mr. MacDonald: Well, we have this slight discrepancy in evidence, after a thorough investigation by the combine reports. They say, without any qualification, that the source of price increases is the brewers, and that in effect it is rubber-stamped by the liquor control board. In fact, may I quote the one man who dominates and personifies the brewery industry in the province of Ontario, namely Mr. E. P. Taylor. On page 27 of the report—

Hon. Mr. Frost: Who wrote that report? Who was the head of it anyway?

Mr. MacDonald: Well, the head of it is a gentleman by the name of MacDonald from the good old sod of Nova Scotia.

Hon. Mr. Frost: Well, I would say to my hon. friend that he should know this, that the people of Nova Scotia pay little attention to us here in Ontario, and that he probably did not come up here to find out what we did do.

Mr. MacDonald: Oh, is that right? Well, that was a gentle sally. I must say that the hon. Prime Minister has mellowed in the last few hours. If I may quote now, Mr. Speaker, after repeated interruptions—

Interjections by hon. members.

Mr. MacDonald: Mr. Taylor testified, as reported on page 27, that the prices in Ontario were fixed by the Brewers' Warehousing Company Limited, with the approval of the liquor control board. It is as simple as that.

The hon. Prime Minister may have brought his auditors in, but this is what the combines report states.

Now, let me be fair about this. Of the \$12.5 million new revenue resulting from this 1 cent a bottle increase that the government, through its agency, granted to the breweries, the brewers have to pay a tax to the federal government which is about 22 per cent. So one-fifth of this new revenue would go to the federal government. The rest of it would be available to the brewers right here in the province of Ontario. Which means to say, Mr.

Speaker, that in the month of March, this government taxed the breweries of Ontario \$5.5 million, and in the month of April it gave them approximately \$10 million new revenue through its own agency.

Hon. Mr. Roberts: So what?

Mr. MacDonald: So what? What is meant by "so what?" The government did not tax the brewers at all. They taxed the breweries \$5.5 million with one hand, and one month later they gave them the privilege of extracting twice that amount of tax out of the consumers of the province of Ontario.

Now the question that is in my mind, and the question I asked last year that provoked such a succession of interruptions from our hon. friend from Parkdale (Mr. Stewart), is: Why this cosy relationship? Why this tender solicitude for the breweries?

Mr. W. J. Stewart (Parkdale): He has not forgotten that, eh?

Mr. MacDonald: If the government raises \$5 million from them, can they not let that tax stand for something more than a few weeks without handing double the amount back to them again? In fact, Mr. Speaker, this is a really exciting situation that is developing.

For example, up in Ottawa last November, the new government through its hon. Minister of Justice (Mr. Fulton) has moved to prosecute the breweries and Mr. E. P. Taylor. This is a spectacle that I am rather looking forward to. I am looking forward to it for this reason, that Rt. hon. Mr. Diefenbaker, when he was in the Opposition in the year 1953, on Thursday, May 14, was speaking in the House of Commons, and made this comment. I quote from the verbatim record of the federal *Hansard*:

Personally, I feel that if the combines investigation is to be made effective, penalties in keeping with the crime will have to be brought into effect, that is, penalties that will penalize seriously enough to interfere with the gains that can be secured by directors that connive and contribute. When wrong-doing is established, then amendments must be made to insure that those who actively—or passively, if you like—act as directors shall not escape unscathed from a prison sentence. A fine is a poor substitute as a punishment for a wrong-doing.

Then hon. Mr. Garson, the Minister of Justice, comes in, and says "Well, you cannot put a corporation into prison."

Rt. hon. Mr. Diefenbaker was very explicit, he ended this way:

I am not talking about imprisoning a corporation; I am talking about the directors. It should be mandatory where a director acquiesces, either directly or passively, by standing by, knowing wrong-doing is taking place. The possibility of a fine being imposed is no deterrent to wrong-doing.

Now if, as this report of the combines commission indicates, there is a genuine combine, and the courts agree, I assume that Rt. hon. Mr. Diefenbaker is going to be as tough in 1958 or 1959 as he was in 1953. We may then find Mr. E. P. Taylor experiencing a penalty never as yet imposed as part of the combines law, namely, that those who violate it can spend two years in jail. That, Mr. Speaker, will be something to behold, because we will have the Tory government at Queen's Park subsidizing Mr. Taylor \$10 million or \$15 million a year through increased revenues, after the tax raise last year, while the Tory party at Ottawa is considering putting him behind bars for violating the combines law of the land.

Hon. Mr. Frost: Does my hon. friend think that Rt. hon. Mr. Diefenbaker is going to get in?

Mr. MacDonald: I have answered that question as to what is going to happen in general terms, and this is not the place to reiterate it.

But there is a new source of revenue, Mr. Speaker. If this government wants to keep the debt of this province from increasing, there is the \$5 million that they put on last year, and there is the \$10 million extra that they have given to the breweries in the intervening period through a price increase—\$15 million. If we want to help keep that debt down, it is right there for the taking, as soon as this government has the political courage to take it. But, as Mr. E. P. Taylor pointed out, or as this report points out, Mr. E. P. Taylor is a pretty tough guy, even with the hon. Prime Minister of this province, so no action takes place.

The second source of revenue that I want to draw attention to, Mr. Speaker, is our natural resources revenue. I have touched upon this to a degree, and I do not want to spend any time unduly rehashing it. Last year we increased our mining revenue in this province, or we increased our mining royalties, so that we anticipated an increase in revenue from some \$8 million to \$17.5 mil-

lion. We discovered, when the end of the year came, that we had not received \$17.5 million—we have only \$11.1 million.

The hon. Minister of Mines (Mr. Spooner) has given some explanations as to why we have this lower figure. But one of the reasons he gave was that perhaps they had been a little over-optimistic in their estimate of new revenues this increase in mining royalties might bring in.

I was rather interested, in light of his comments yesterday, to go back to the figures, and to find the government still expects, in this coming year, to get \$15.6 million in mining revenues, which would be \$4.5 million more than they got this year. So apparently, without any increase in royalties they expect a real resurgence in the mining industry—changes in copper or changes in the uranium picture—which will bring in more revenue. I trust it will happen.

Now, when we switch to the other great natural resource—our forests—I find this astounding fact, that in spite of an industry which has developed so that today it represents a productive wealth of some \$600 million or \$700 million, this government is actually budgeting this year for a deficit in the revenues it expects to get from the forest resources. The budget figures indicate that they expect, as revenue, from the forest resources something like \$20.5 million, and that they expect to spend, in The Department of Lands and Forests in the next year, \$21.6 million.

In other words, in this industry they expect that the people of this province, outside the industry, are going to have to subsidize the industry to the extent of \$1.1 million.

Mr. Speaker, this raises the question which the hon. leader of the Opposition (Mr. Oliver) put to the hon. Prime Minister a day or so ago: What is this government's policy with regard to revenues from natural resources? These are resources that belong to the people of Ontario. They are resources upon which today we have built two great industries which represent \$1.5 billion of new wealth each year, and yet, in the past year the total net revenue, after what was ploughed back in these two departments to service the industry, to the people who own these resources, was something less than \$10 million. This just does not make sense.

Yesterday, when I raised this in the discussion in the mining estimates—or was it the day before yesterday?—somebody asked: "Do you want to increase these revenues?" My answer was yes, and I will tell hon. members the reason why.

I am putting this forward very seriously, and for those who are opposed, I wish they would consider it for a moment.

When we increase our revenues from mining royalties and logging taxes, these increases become a deductible item in the calculation of the federal income taxes, an expense item for the corporation. Since they can deduct it, in effect they can save a good proportion of the provincial tax by their deduction when they calculate their federal corporation income tax.

Obviously it is plain commonsense—if we want to look at it strictly from the point of view of Ontario—that if we want this revenue, why not raise it at the resources level, where the corporation can then turn around and use it in their calculations as an expense in their calculations of their federal income tax?

The second thing is that, if we raise it at the resources level, we get the whole dollar. If we let it go to Ottawa as corporation tax, then the hon. Prime Minister complains—even with this new government, he has a bit of complaint—he has to go and beg to get a fair share of that dollar back into the coffers of the province of Ontario. If he raised it himself he would have the whole dollar.

So why not, in the general interest of the province that needs this revenue, raise it at the resources level so that it would be of greater benefit, and there would be benefits accruing to both the corporation and directly to the province itself?

Mr. J. J. Wintermeyer (Waterloo North): May I ask the hon. member whether he has made any determination of what the net cost is to the pulp and paper industry? He has said that one-half would be. Does he suggest for a moment, Mr. Speaker, that this entire levy could be charged against operations?

Mr. MacDonald: Well, it is charged against the operations.

Mr. Wintermeyer: The entire levy?

Mr. MacDonald: The entire levy.

Mr. Wintermeyer: Oh, no.

Mr. MacDonald: Oh, I am sorry. The hon. Provincial Treasurer can confirm this, because I am certain that all mining royalties, and all logging taxes, in the province of Ontario, are an expense of the corporation which they can treat as an expense when they are calculating their federal income tax. Sure, it is right.

Mr. Wintermeyer: I concede that last year we thrashed this out. It works out to about half—

Mr. MacDonald: Well, I grant that feature. Corporation taxes—what is it, 46 per cent., 48 per cent., or something like that?—it works out to that half level. But the point is that it still is calculated as an expense.

Mr. R. Whicher (Bruce): The fact is that if we take another \$1 from them in logging tax, it is still going to cost them 50 cents, is that not true? It is going to cost them 50 cents on every \$1 we take, and they do not have the money at the moment. The mines are closing up now.

Interjection by an hon. member.

Mr. Speaker: We want no more interruptions.

Mr. MacDonald: Our problem is that our government claims it does not have the money, and my general answer is that if it needs the money it had better go where the money is, and that, by refraining from going where the money is, our tax structure is getting more out of balance. Indirectly, it is falling on the little fellow instead of falling on the person who has the greatest capacity to pay.

So there are 3 sources of new revenue: corporation tax, liquor tax revenues and natural resources revenues.

The fourth source that I want to discuss now is a weight distance tax, such as was recommended in the toll roads committee report. That report acknowledged that the working out of the weight distance tax is a complicated kind of proposition, but it made a specific recommendation for an interim kind of approach—that of breaking down heavy vehicles beyond 18,000 pounds, into categories, and grading the licences in accordance with the weight categories, so that we would get a rough approximation of the same revenue which we would get with a weight distance tax.

The toll road report also urged removal of another strange inequity that has existed for years in our tax structure in the province of Ontario. Heavy transports cause half the costs of our modern highways. These big vehicles in effect double the cost of the road, because of the heavier base that must be put into it. If it is a PCV licenced vehicle, it pays a fairly heavy licence. But there are a significant number of these big vehicles in the province, which are privately owned and are not public carriers. These are brewery trucks, or oil trucks, used for their own business, which

do not pay the rate, or anything like the rate, that the PCV licenced operators do.

Now, one of the recommendations of the report was to equate the revenues that come from these two kinds of vehicles, because they may be exactly the same tonnage and certainly they are wearing or destroying our roads at exactly the same rate. But there has been no government action.

Now, why the delay in this action? If this is an obvious inequity in our highway revenues, on this level, as well as on the level of weight distance tax, am I to conclude that the very effective and vociferous lobby of the truckers' association is going to postpone this year after year, so that another \$12 million or \$15 million—which was the rough calculation of revenue that might come from this kind of tax—is going to be missed year after year, even though the hon. Provincial Treasurer says he needs more revenue?

Hon. J. N. Allan (Minister of Highways): Could I correct the hon. member for York South? I think he knows that the PCV tax is a small tax in comparison, that on a large vehicle it might amount to \$125 compared to \$600 or \$700 of the ordinary licence. It is not the great part of the tax.

Mr. MacDonald: Well, I do not profess to be an expert, Mr. Speaker, on the breakdown of these taxes. But this I know for certain—and I think other hon. members who are on the toll roads committee will confirm it—we gathered evidence pointing to the inequity between a privately owned vehicle, that is used by a company for its own use, and a PCV licenced vehicle—and the latter is definitely higher, many times higher.

I can remember the surprise on the faces of hon. members of the committee, and the hon. chairman of the committee, who acknowledged that they did not realize this was the case. Most of us did not realize it was the case.

On at least half-a-dozen occasions, the question was asked as to why this kind of inequity has persisted in our highway revenue structure for so many years. Well, I submit this as another wrinkle alongside the more important question of weight distance tax.

On the question of a weight distance tax, Mr. Speaker, may I point this out? It is a fact beyond dispute that approximately 50 per cent. of the costs of our modern highways—because of the depth of the road bed, because of the site levels, because of less sharp curves, because of all of these factors—derives to meet the needs of about 4 per cent. or

5 per cent. of those vehicles that are travelling on the roads.

Certainly, the figure in the instance in the state of California was that 52 per cent. of the cost of the roads derived for 4 per cent. of the trucks, and while we have made no detailed calculation, it is approximately the same kind of thing in the province of Ontario.

Now, why do we not raise a more equitable amount of revenue from these monsters of the highway, which make it necessary to put 50 per cent. of this cost in, to begin with, and are contributing most to the destruction of the roads?

Hon. Mr. Allan: Mr. Speaker, I would point out to the hon. member that we do have a just tax. His figures as to the cost of the highway that is caused because of the large trucks is altogether incorrect. About 20 per cent. of the cost of the highway is due to the heavy loads that go over that highway. The hon. member understands, as we all do, that the right of way is the same, that the maintenance, the winter maintenance, and the care of the roadsides are entirely the same.

I may say that I think we have a very fortunate arrangement as far as our highway traffic is concerned. Many hon. members recognize that, on Saturdays and Sundays, our highways are full of traffic and the trucks are not there. Those are the days when it serves all of us small people with our cars; therefore we have the truck traffic and the passenger vehicle traffic at different times, and it works out wonderfully well, and makes an efficient operation. The whole operation is efficient. We get the use of our highways 7 days per week, and we feel that the tax distribution is fair.

Mr. MacDonald: Well, all I can say, Mr. Speaker, is that if this is the conclusion the hon. Minister has come to, I can understand why we do not have a weight distance tax. But I draw this to his attention—

Hon. Mr. Allan: Mr. Speaker, I might say—

Mr. Speaker: Order. The hon. member for York South has the floor, and if he does not want to give it up, it is up to him.

Mr. MacDonald: I draw this to the hon. Minister's attention, that if this is the conclusion of the government, they might as well take a significant proportion of this toll roads report, and the money that was expended, and throw it out the window.

Hon. Mr. Frost: I would say to my hon. friend that is not the conclusion, but he is

jumping at conclusions. We have all taxes under very intensive consideration—

Mr. MacDonald: I was under the impression that it was under intensive consideration, but the hon. Minister has just made a statement to the effect that he thinks that the present tax revenue is a very equitable one. Well, if it is a very equitable one now, why is the government studying the weight distance tax?

Hon. Mr. Allan: I must inform the hon. member that we did institute an extra tax since the time of the gas tax and the diesel tax. The gas tax, an addition—

Mr. MacDonald: And the fuel tax.

Hon. Mr. Allan: And the fuel tax, which was raised from 11 cents to 13 cents per gallon. Now, I might point out to the hon. member that, in certain jurisdictions to the south of us, they are not able to impose taxes such as the gas tax and the diesel fuel tax such as we did here, and I think they would have been very happy to have been able to change places with us and had the gas tax and the diesel fuel tax in place of the weight distance tax.

Mr. MacDonald: Mr. Speaker, I do not want to get into a long argument this afternoon with the kindly gentleman who is the hon. Minister of Transport. But I draw to his attention that, when we increased the tax on diesel oil, all we did was to remove the inequity between two trucks, one of which is using diesel fuel and one of which is using gasoline. We did nothing about removing the inequity between the big vehicle and the little vehicle.

Now the second thing, Mr. Speaker, is that the hon. Minister points out that we added 2 cents on the gasoline tax. Sure, and that is the reason why I am complaining. The report of the toll roads committee, on the basis of evidence in the United States and Canada is that if we add a further tax to the gasoline tax, 90 per cent. of that load falls on the automobile operators.

Hon. Mr. Allan: That is not correct.

Mr. MacDonald: Well, it is in the reports.

Hon. Mr. Allan: Not 90 per cent.

Mr. MacDonald: I hope when the session is over that the government will have enough money that they can send the hon. Minister down to Florida for a week to read this report. After 2 years of study, it is definitely stated in the report that if you increased your gasoline tax from 11 to 13 cents, 90

per cent. of that load would fall on the little cars.

Hon. Mr. Allan: Not 90 per cent.

Mr. MacDonald: Sure, it is true. I wonder if the hon. Minister has ever read the toll roads report?

Well just to sum up this business of new revenues, Mr. Speaker, I cannot calculate a figure as to what new revenue the government can get from corporation tax; but I can estimate that, if they were to increase their revenues from liquor, they could get between \$15 million and \$20 million more, I am certain.

On the weight distance tax, the figures that were used in the toll roads committee report were something like \$15 million, with adjustments that might net \$10 million to \$12 million new revenue.

Then, finally, we have the difficult estimate of what new revenue is possible through more equitable charges on natural resources. I suggest that from these 4 sources, there is a certain revenue increase, between \$25 million and \$30 million, which could be doubled to \$50 million or \$60 million, depending on what level the government can fix the corporation tax or natural resources taxes.

If this government is going to go around complaining that the debt has gone up—well no, the government does not complain, the only man who complains is the hon. member for Riverdale (Mr. Macaulay). He keeps pointing it out, but the rest of the government supporters try to hide it, pretending that the debt is not going up. But it has been going up \$50 million to \$60 million a year. This coming year it is going to go up \$100 million. Next year, it may well go up to \$150 million.

Mr. W. J. Stewart: He hopes.

Mr. MacDonald: Well no, these were the careful calculations of the hon. member for Waterloo North. I am borrowing from him. I read his speech when I was down with the "flu bug" since I was not able to hear it directly. And on this question of debt, I think his calculation is correct. Here is a way in which this government can at least reduce that increase.

Now, Mr. Speaker, I want to turn for a moment to the question of housing. I was interested when I looked in the tables in the back of the budget to discover that, in the years from 1952 to 1957, the total number of new and converted housing units that

we built in the province of Ontario—by we, I mean the people of the province of Ontario, not the government—was 258,000 homes in that 5- or 6-year period.

During that same period, Mr. Speaker—which happens to be the period which opened with the promise of our hon. Prime Minister in London, Ontario, that the government had set an objective of 5,000 low rental homes—during that same period of building 258,000 homes for those who could pay for them, or borrow the money, we have not yet built 5,000 low rental homes.

How close we are to the figure, I do not know. I have a question on the order paper and I am looking forward to see what the latest figure is toward that objective of 5,000.

Now against this background, Mr. Speaker, I want to refer briefly to that incredible statement of the hon. Minister of Planning and Development (Mr. Nickle) with regard to the whole Malvern project, and his comments with regard to Andrew Brewin, Q.C., as having raised a succession of CCF road blocks, which had stood in the way of the Malvern project.

Now, Mr. Speaker, I am not going to dwell any more than, in passing, to the ethics of the hon. Minister who, himself a lawyer, attacked another lawyer for activities in a professional capacity—and made that attack, incidentally, from within the protected position of the Legislature.

I would like to ask this question, though, Mr. Speaker, since when does a lawyer's work in a professional capacity become part of his political activities? This is a new concept that the hon. Minister of Planning and Development introduces. As a matter of fact it raises an interesting prospect, because I happen to know of one or two well-known Conservative lawyers in the city of Toronto who spend a fair amount of their time professionally defending prostitutes and dope pedlars. Are we to conclude that this is part and parcel of their political activity, and that they are now standing in the way of society's efforts to do something about these evils?

This is the only conclusion one can come to on the basis of this fantastic theory and attack that was made by the hon. Minister of Planning and Development upon Mr. Andrew Brewin.

In fact, he started out—and I wish he were here—he started out with a factual error. In fact, the whole statement is so much "mish-mash," coming from a lawyer. He started out

by stating that on September 16, 1954, Mr. Brewin had said such and such with regard to this case.

The interesting thing, Mr. Speaker, is that on September 16, 1954, Mr. Brewin had nothing to do with this case.

The man who had the case at that time was a well-known lawyer by the name of Mr. J. J. Robinette. Because circumstances were such that Mr. Robinette could not continue on the case, they sought another good lawyer, and got Mr. Brewin, and he has handled it since then.

The hon. Minister perhaps is not aware of the fact that, when the Ontario branch of the Canadian law society met a few weeks ago, they had a panel which discussed this whole complicated issue of expropriation, and one of the men invited by the law society to sit on this panel was Mr. Andrew Brewin.

Also, the hon. Minister may not be aware that Mr. Brewin has now prepared a written continuation lecture for the law society on the issue of expropriation. Now perhaps in his ignorance the hon. Minister was not aware of these facts.

Hon. Mr. Nickle: Why does not Mr. Brewin write a book?

Mr. MacDonald: Well, that is just about in keeping with the kind of comments made by the hon. Minister earlier.

Hon. Mr. Nickle: He might as well get the truth.

Mr. MacDonald: Mr. Brewin obviously is not at all fearful in pitting his reputation with that of the hon. Minister of Planning and Development in the legal profession, because he knows quite confidently who is going to come out second best.

Hon. Mr. Nickle: I have always been of the suspicion that the hon. member has been "in cahoots" with him, and the hon. member has corroborated my thinking this afternoon. I sometimes think the hon. member is behind the scenes to make the balls for him to throw. The hon. member wanted to direct Malvern, and the pair of them failed.

Mr. MacDonald: The mind of the hon. Minister runs on the basis that somebody has to make the balls if he is going to throw them. That I can quite believe, as far as he is concerned. But let me assure him that Mr. Brewin does not need anybody to make any ammunition to throw, he is quite capable of doing it himself.

But the point I want to make, Mr. Speaker, is that to blame Mr. Brewin and the CCF for this government's procrastination on the issue of the Malvern development is just making excuses. If this government, if this department, if this hon. Minister, had exercised just half as much imagination and ingenuity as Mr. Brewin did in a professional capacity, we would have houses out in Malvern at the present time.

Hon. Mr. Nickle: Drivel, utter drivel.

Mr. MacDonald: Yes, we would have had houses out there. The hon. Minister could have taken a second expropriation order and moved on the proposition.

Even now, the hon. Minister comes in and misleads this House into believing that now they are in a position that they can go ahead and put in the main sewers and servicing. I wonder if he is aware of the fact that officials in his own department told the farmers, when they met in the offices of the department last November, that they could stay on the land for the rest of 1958?

Hon. Mr. Nickle: May I ask a question of the hon. member, Mr. Speaker,—

Mr. MacDonald: I have not conceded the floor. I do not want to take any more—

Hon. Mr. Nickle: I would like to clear this point up.

Mr. MacDonald: The hon. Minister can clear it up when his estimates come up.

Hon. Mr. Nickle: The hon. member does not want to hear the truth.

Mr. MacDonald: Well, maybe the hon. Minister is right, if he is going to give it to me.

Hon. Mr. Nickle: The statement the hon. member made is quite incorrect.

Mr. MacDonald: The fact of the matter is that the choice of Malvern in the first instance was another typical arbitrary, ill-considered judgment by this government, so much so that the hon. member who happens to represent the area (Mr. Sutton) got up and made protest in this House a week or so ago that people in his own area are not happy about the development.

It will result in an even greater unbalance, as between the industrial and the residential assessment, unless the government is willing to go in and take over most of the charges, because they chose an area away out in the country beyond the lines of existing services.

Of course, the hon. Minister meanwhile goes on his merry way, the quintessence of pomposity, the only man I know who can strut while sitting down. I think it is about time that somebody got him a pin to prick the balloon of his—

Hon. Mr. Nickle: Somebody said that yesterday, copycat.

Mr. MacDonald: Is that right?

Hon. Mr. Nickle: Yes.

Mr. MacDonald: Is that right? Well, somebody did not say this, and I will say it now, that I hope somebody some time soon will buy the man a little hat pin so that he can prick the balloon of his own self-inflated ego and delusions of grandeur, so that he can come floating down to earth, close to these houses that need to be built.

Certainly none has been built, or very few of them up to now. The hon. Minister is making excuses, and blaming it on so-called CCF roadblocks.

Hon. Mr. Nickle: The hon. member does not want them built, he wants to wreck the economy of this country.

Mr. MacDonald: Of course I want them built.

Hon. Mr. Nickle: No, he does not. The only salvation he has is to wreck the confidence in this country.

Mr. MacDonald: He is not only the quintessence of pomposity, but the source of idle chatter.

Hon. Mr. Nickle: The hon. member reminds me of the empty wagon that makes the most noise.

Mr. MacDonald: Now there is a novel statement, I wonder where that one came from, I wonder where the hon. Minister borrowed that one from?

Mr. Speaker, I want to turn briefly to the issue of education. The hon. Provincial Treasurer announced that our grants were going to go up from \$100 million to \$133 million this year. This is a very welcome increase. I do not think that anybody will for one moment deny that is the case.

In fact, I will have to confess to the hon. Provincial Treasurer, to the hon. Prime Minister, that for a moment he almost had me persuaded. I thought in listening to him in his very persuasive presentation of the case that it was just possible that this government had now reached the stage, in 1958, when it

had fulfilled its promise of 1943—to meet 50 per cent. of education costs. I thought, well, that is not bad for a Conservative government after 15 years.

But the budget came down on a Wednesday, and the hon. Prime Minister had skipped over the highlights in his presentation. I took a busman's holiday that evening, and read the prepared budget statement. I found some very interesting information in the tables accompanying it.

There is a table on page A-29, and in this table it pointed out that in the year 1957 the total amount of taxes raised for school purposes at the municipal level was \$185 million. In the same year the government made grants to education of \$100 million, so that the total expenditure from governments and local levies was \$285 million—of which the government grants represent exactly 35 per cent.

This year, if one projects the increase in local levies on the basis that they have increased in the last 5 years, an average of about \$17 million a year, that means the tax levies at the local levels this coming year, 1958, will be \$202 million. The government is going to make grants of \$133 million for a total expenditure of \$335 million—which means that this government is now going to be meeting precisely 40 per cent. of school costs.

Mr. Speaker, I had 6 hours of having been persuaded by the hon. Prime Minister, and then the persuasion went out the window because the facts demolished the impression he left. The fact of the matter is that last year this government paid 35 per cent. of the cost of public and secondary schools, and this year, even with this great increase in grants, they have come up to 40 per cent. So we will give them another 15 years to get to the fulfilment of that promise of 1943.

Hon. Mr. Frost: The hon. member knows there are a good many items in local expenditures, and he must remember the local boards have autonomy themselves which they charge up to the cost of education, which are not subsidizable and never will be subsidizable, he knows that.

Mr. MacDonald: I know that, but the fact still remains that this is what is raised as the local tax levy, and this is what the government contributes, and last year it figures out at 35 per cent., and this year it figures out at 40 per cent., even with the increase, welcome though it is. In other words, the increase is no more than keeping up with the increase in cost of education, not much more than that.

Now the other point which the hon. Prime Minister made was a lovely propaganda point. But, Mr. Speaker, I want to say to the hon. Prime Minister that if there ever was a misleading statement, this was it. He made reference, in discussing this increase in Ontario's school grants, to the increase of \$1 billion that President Eisenhower has made for education in the United States. The misleading thing about this, Mr. Speaker, is that this \$1 billion in the United States is an increase in federal aid to education. It is an increase after they have had years of federal aid to education.

Unwittingly, what the hon. Prime Minister's statement raises is this question: In Canada we have no federal aid to education, let alone an increase of \$1 billion. We have no aid to education from the federal level despite 75 cents of our tax dollar going to Ottawa, and in spite of the fact that we have a good Tory government that in Opposition supported that perennial bill of the CCF for federal aid to education.

They supported it in the Opposition, but what have they done since they got into the government? Nothing!

I will tell hon. members what they have done. "Honest John" had a speaking engagement at the important educational conference held recently in Ottawa. But it was a little embarrassing to come and talk about education, with the sensitivity of Mr. Duplessis on this issue, and the need of the Conservative party to get votes through Mr. Duplessis in the province of Quebec. So Rt. hon. Mr. Diefenbaker turned the date down, though there may never be for years a forum equal to it discussing educational policy. Clearly the Conservative party at Ottawa is not going to fulfil its promises of federal aid to education, and this is one of the reasons why we cannot cope with the crisis in education.

I will agree with the hon. Prime Minister that the educational load has grown until the federal government has to share with the provinces in the meeting of the financial requirements of that load. I will not for one moment deny it, for with 75 cents to 80 cents of the tax dollar going to Ottawa, items like highways and education which take so much of our provincial budget make it necessary that we get more of that money back specifically to meet these needs. But I am hoping, now that our hon. Prime Minister of Ontario has his boys up at Ottawa, he is really going to be tough in seeing that some of this money does come back for educational purposes, because if we do not, we are not going to solve the crisis in education.

Hon. Mr. Frost: I would say to the hon. member that I have never contended that the money should come from Ottawa specifically for education. I think we should get a fairer share of the tax fields, and then we would raise the money and look after education ourselves.

Mr. MacDonald: Is the hon. Prime Minister in effect saying that, as the Conservative Prime Minister of the province of Ontario, he does not agree with what has been the Conservative policy down through the years, and the actions of his hon. colleagues in Ottawa, namely federal aid to education?

Hon. Mr. Frost: Personally, I do not think there should be federal aid, I think we should have our money and then we will run it ourselves.

Mr. MacDonald: No wonder the Conservative party finds it rather easy to get cosy with Mr. Duplessis, because that is precisely his view.

Hon. Mr. Frost: I would say that I am after \$100 million. If I get that, then I will do better.

Mr. MacDonald: Now, Mr. Speaker, in conclusion, I want to make just a brief reference to the amendment, which was made by the hon. member for Waterloo North (Mr. Wintermeyer). The rules of the House do not permit sub-amendments on a budget debate.

I want to say that we will support that amendment. We will support it not because we are enthusiastic; we will support it because it accuses this government of lack of leadership in the items such as those that we dealt with in the budget, and I agree with it. I wish it would go much further because it needs to go much further.

I was rather interested for example, a week ago listening in this House—in fact I listened open-mouthed to this one—to a certain hon. member making a speech in which he made many demands of the government, and then he ended up in the concluding moment before he sat down with these words:

I say to the hon. members of this government never let it be said of us that we are arrogant and complacent. I say to the hon. members of the cabinet, let them always listen to the elected representatives of the people, and give us the chance to do the things for our people that need to be done. Let them not brush us aside, because that is what they did in Ottawa after 22 years.

Now those were very interesting words, particularly coming from the hon. member for Renfrew South (Mr. Maloney), who is a sort of combination of Rt. hon. C. D. Howe and hon. J. J. McCann all rolled together. This was the plea.

Mr. Maloney: Very able men for 22 years.

Mr. MacDonald: This was the plea. In other words here was an hon. member on the government side—

Mr. Maloney: The hon. member said that on television.

Mr. MacDonald: I did not say it on television, I was on radio, the hon. member could not see the television—

Mr. Maloney: The press got it anyway.

Mr. MacDonald: That is correct, I have said it already.

Mr. Maloney: Sure he has.

Mr. MacDonald: He was pleading with this government not to be smug and complacent. Well, I want to say to you, Mr. Speaker, that never was a plea more appropriate, because this government, just like the Liberals at Ottawa prior to June 10, now can do no wrong. Like the Liberals prior to June 10, it is getting insensitive to the needs of the little people. As a result, it is bringing down such arbitrary legislation as, for example, the unrealistic relief project proposal. Perhaps I should say the hon. Prime Minister brought it down; I do not want to blame the whole government, I think it was his pet project which was thrown back in his face by the municipalities.

I sat in the education committee about two weeks ago and listened to two perfect examples of the attitude of this government. Here were a group of executive members of a provincial organization, representing the retired women teachers, women who have taught 40 to 50 years in this province, and are getting something less than \$600 a year pension. Many of them today are 80 to 90 years of age.

They came last year and asked that the pensions be raised to a level in keeping with the cost of living.

What was the attitude of the government? Well, Scrooge never had a stonier heart. They could get no action.

They came back again this year and they have made their plea. But what does this government care about a couple of hundred votes, because that is all that is left of this

little band of teachers. Very soon they are going to die off anyway, so there is no action.

Mr. Maloney: So is the hon. member, very shortly.

Mr. MacDonald: This is the kind of insensitivity they now display. Now, the other example was this delightful business that was raised by the hon. member for Bruce (Mr. Whicher) with regard to school grants.

Why is it, for example, that when our schools are closed because of a snow storm, or last year because of Asian flu—some act of God—why is it that the whole load of maintaining the school has to be dropped in the local municipality? Why cannot the government for that day, or two or three, or whatever it is, bear its share of the costs of the grants?

Well, the hon. Minister of Education (Mr. Dunlop) says, the law will not permit it. Well, I ask: What are we here for but to change the law, if the law is not a just one? But the hon. Minister brings in no suggestion, no changes. When this issue was raised in the education committee, the hon. member for Oshawa (Mr. Thomas) exploded the whole stand of the government. The hon. member for Oshawa asked: "If it is impossible to pay school grants, when the school is closed, how do you explain the fact that the hon. Prime Minister comes down and opens a school in Oshawa and he gives the children all a holiday, and he assures the school board that they are not going to lose their grants. How does he explain the fact that the hon. Minister of Education comes down to Pickering and opens a school. He gives them a holiday and he assures them that they will not lose their grants."

Well, says the hon. Minister in the education committee, "I do not like doing it." Well, I know just how painful it was for him, but he still did it.

Now here is the remarkable proposition. Acts of God cannot budge the law, but God and the law both have to take a back seat to the hon. Minister of Education or the hon. Prime Minister as they move across the country and make political good fellows of themselves, opening schools and assuring them that they are going to get their school grants even though the children were out.

In other words, we have two laws in this province—one that the rest of us have to live up to, and another that this government can play with if they think there is going to be some politics in it.

This is proof of the government's insensitivity to the needs of little people, of its smugness and arrogance arising from a big majority for too long.

Therefore, Mr. Speaker, while we feel in the CCF that this amendment to the budget is not a strong enough one, but at least it is pointed in the right direction, so we will support it.

Mr. J. A. Maloney (Renfrew South): Mr. Speaker, may I say just a word to correct a wrong impression which the hon. member for York South left with this House. In speaking of Malvern, he said that all we had to do was expropriate again. This is not right, and I will show why it is not. It just goes to show that he speaks from ignorance.

The law is that when one files against a property under the expropriation laws, the market value of the property is fixed as of that moment. Now after all this delay went on, and there were appeals, had we lifted that expropriation, that filing, and started anew, we figured out it would have cost the taxpayers of the province of Ontario approximately \$2 million to \$2.5 million more. Is that what he wanted us to do? The thing is ridiculous, completely.

Mr. MacDonald: What they did not have was a good enough lawyer. They just got trimmed, that is all. The lawyer just got trimmed and that is what he is complaining about.

Mr. Maloney: Just on that point, I was in The Department of Planning and Development when this whole thing started. We had an excellent lawyer. He took it from the first hearing before the municipal board right through to the highest court of appeal in this land, and he won every round. That is how good he is.

Mr. MacDonald: What the hon. member does not know is the details in that whole case.

Hon. Mr. Frost: He was not a CCF lawyer either.

Mr. H. F. Fishleigh (Woodbine): If they think Mr. Brewin is a high class lawyer, I used to defeat him every year in Ward 3 for at least 3 or 4 years.

Mr. G. J. Monaghan moves the adjournment of the debate.

Motion agreed to: the House resumed.

Hon. Mr. Frost moves the Speaker do now leave the chair, and the House resolve itself into committee of supply.

Hon. Mr. Frost: I want to put the hon. member for York South right on this matter in relation to education so we might as well call this.

Mr. MacDonald: The hon. Prime Minister said it was going to be this evening.

Mr. F. R. Oliver (Leader of the Opposition): Yesterday afternoon there was a reasonable, and I think a definite, understanding, that we go on tonight. Now what is being done here, anyway? The day before yesterday, the hon. Prime Minister did not know when they were coming. Yesterday, he stated that they would come up after the recess tonight, and now he is going to start them at 5 o'clock in the afternoon.

Hon. Mr. Frost: Well they can go through with this estimate now as well as tonight.

Mr. Oliver: They can go through! They can go through, did he say?

Hon. Mr. Frost: I am quite content, but it would seem to me that it would be the logical and the proper time to go ahead with them. I mean I have no objection. The hon. member for Sudbury (Mr. Monaghan) was to follow. He has no objection to adjourning the debate at this time.

Mr. MacDonald: What good is the hon. Prime Minister's word anyway?

Mr. Maloney: Better than the hon. member's.

Mr. Oliver: Surely there must be some basis for procedure here. The understanding was that we were to have my hon. friend for York South on the budget debate. Then we were going to switch to the Throne debate and have one or two speakers until 6 o'clock. There was not the slightest indication that we were going to have the estimates of The Department of Education before 6 o'clock.

Hon. Mr. Frost: I would say to my hon. friend that I always try to accommodate him, and if he would like that, I will go ahead and do that.

Mr. Oliver: Well I do not know that it is a question of accommodation, to me, but I think it is a question of procedure, my hon. friend gave his word to the House yesterday.

Hon. Mr. Frost moves that the committee rise and report no progress, and begs leave to sit again.

Motion agreed to; the House resumed.

The Chairman: The committee of supply begs to report that it has come to certain resolutions and reports no progress, and begs leave to sit again.

Report agreed to.

SPEECH FROM THE THRONE

Mr. R. Belisle (Nickel Belt): Mr. Speaker, in rising to take part in the debate on the speech from the Throne, I would like first of all to add my appreciation for your contribution in maintaining order and keeping the high prestige and dignity that has been so long cherished by your predecessors, and I hope that you are spared for many years to carry on in this courteous manner.

I would like to add my word of welcome to the new hon. members of this House and congratulate the hon. member for Peel (Mr. Kennedy) for his very inspiring address in moving the Throne speech. He is a man whom I greatly admire, he has rendered great services to his riding and province, and I am very pleased that I paid him my respect in my maiden speech.

I would like also, Mr. Speaker, to congratulate the hon. member for that famous old constituency of Glengarry (Mr. Guindon), who seconded the speech from the Throne in such an excellent manner.

My congratulations also go to our new hon. Minister of Reform Institutions (Mr. Dymond), and to our new hon. Minister of Mines (Mr. Spooner), of whom we feel very proud. We in the mining industry feel that the hon. Minister of Mines will prove to be a great asset to this government, and one of the finest hon. Ministers of Mines that we have had. His knowledge of our problems has already indicated that, during his short term in office, he has endeared himself very much to the hearts of my people in the great mining communities and riding that I have the honour to represent.

Mr. Speaker, may I now refer to what I consider a very fine Throne speech, one that heralded many advances in human betterment and progress for our people in this province. It further advances the programme of human rights, which, after all, is the most important thing in our political history.

Also, I am pleased with the health and welfare services, mentioned in this speech,

over which the hon. Minister of Public Welfare (Mr. Cecile) so ably administers.

The new great Ontario hospital plan, that has already received Royal assent by the Honourable the Lieutenant-Governor (Mr. Mackay) is something of which we will all be proud. I know this will be of great benefit to the people, because it will remove the catastrophic financial effect of illnesses of long duration, which in the past has driven many of our people into a state of poverty. The plan will be so well received by the Ontario people that our great leader, the hon. Prime Minister (Mr. Frost), will return to power with a greater majority, leaving no room in this House for our overnight guests.

Mr. Speaker, the farmers of my constituency are very grateful for what this government has done in the past few years, in the way of Hydro expansion to rural communities, and I am still hoping that a way will be found for the community of Foleyet to have hydro in the near future.

In mentioning the far-reaching reforms in our school grants system, I would like to suggest that grants per classroom should be increased for the north; considering the high cost of construction, it would lessen greatly the many growing pains that we have in my riding.

Mr. Speaker, our population growth and our vast increase in productivity have been rising at a very rapid pace; this growth without industrial assessment, and very little commercial assessment, has placed a very hard burden on the home owners, and my people feel that mining grants towards miners should also include workers in smelters and concentrators.

May I say that, last year, I was opposed to amalgamation, and after the evidence produced at a hearing on amalgamation by the Ontario municipal board just recently in Sudbury, the taxpayers of Nickel Belt are more convinced than ever that amalgamation will not produce more revenue by which their municipal taxes can be reduced. Rather, they are thinking that, if municipal assessment on mining properties wipes out the present mining grants, they will be worse off financially.

I do not believe this government needs amalgamation to solve the financial problems besetting Sudbury and district municipalities. All that is necessary is to cut Sudbury and surrounding municipalities in on the gold mine of liquor profits, mining tax, and perhaps gasoline tax. For many years, we have been very generous with our contribution to the provincial Treasury, and now that the demand for base metal is not as good, we

feel that we should receive assistance that will help our home owners and small businessmen.

Mr. Speaker, I would like to draw to the attention of the hon. Minister of Labour (Mr. Daley) as I did two years ago, that there should be an administrative office of the workmen's compensation board in Sudbury, plus a medical and rehabilitation centre. As the largest city in northern Ontario, with the greatest concentration of workers in the north, Sudbury has most certainly been overlooked in this respect.

This concentration of effort in the Toronto area is all very well, but it by no means meets the needs of northern Ontario and the Sudbury and Elliot Lake areas in particular. There are far too many stories of red tape, delays and lack of attention to sick and disabled persons to discount the suggestion that the workmen's compensation board is functioning efficiently.

There is a man on relief in the city who became ill several months ago. He spent some time in the hospital in Sudbury, then had to be released because the workmen's compensation board claimed the case did not conform with board regulations in respect to the claim for assistance. Many other claimants are experiencing "by-mail" difficulties.

I sincerely think that this government should remedy the situation by seeing to it that this area has better service in workmen's compensation cases, from the administrative side, and a treatment centre for temporary care, at least, of ill and injured workmen.

And, Mr. Speaker, after a meeting that we had on March 4 with the chairman of the compensation board I am more convinced than ever that the workmen's compensation board officials have built themselves an ivory tower that will eventually fall, if better services and better co-operation are not given to the injured workmen.

At this time, I would like to bring to the attention of the hon. Minister of Highways (Mr. Allan) a problem that is causing grave concern to my people. It is the problem of issuing motor vehicles and chauffeurs' licences. I feel the Sudbury chamber of commerce has done a very good job, considering the quarters and location they have, but I ask the hon. Minister why other bureaux cannot be opened in Capreol, Chelmsford, Garson and Noelville?

If the hon. minister feels that an increase of licences was warranted, I think that they

should receive more services. The chambers of commerce in Capreol, Chelmsford and other localities have offered their services; legion branches have also offered their services, but so far the whole population of 150,000 people have had to line up for hours and days.

Mr. Speaker, I would like to read from the *Sudbury Daily Star* some comments and complaints on this matter:

ENGINEER-MAYOR LETS OFF STEAM ABOUT AUTO LICENCING; "WHY DO WE HAVE TO GET THEM AT SUDBURY OFFICE?"

Mayor Harold Prescott, of Capreol, drove into Sudbury on business a day or two ago, and drove back to Capreol later . . . resenting every mile of the way.

The business in question was the renewal of licence plates at the office of Sudbury district chamber of commerce, a chore which the mayor strongly feels could be handled with less bother at Capreol.

"I can't see why motorists from Chelmsford, Creighton, Garson, Falconbridge, Levack, Massey, Hanmer and so on, should all have to come into Sudbury for this," declared the volatile mayor Prescott, who earns his living as a locomotive engineer. "In some cases it entails a journey of some 40 miles, to say nothing of the problems of parking that have to be faced when the visitor arrives in the city."

He pointed out that Capreol and Chelmsford each has a chamber of commerce which could handle the business for their respective areas. "Does Sudbury hold onto this just to bring business into the town?" he asked. "Why should we be penalized simply because we don't live in Sudbury?"

He suggested that offices at Capreol, Chelmsford and Garson could comfortably handle the surrounding district.

Mr. Speaker, I would like now to congratulate the hon. Minister of Highways for the important road project which he started in my riding, namely the Wahnapiatae and Sudbury highway, highway No. 17, the Levack highway, and the Chapleau section of the trans-Canada highway. The work done in my riding was very much needed, and my people are very thankful for it.

I would like to suggest to the hon. Minister that the road to Garson and the airport are in very great need of repair. To assist unemployment in my riding, a new road from Cartier to Levack should be started, and considering the short distance across and the good terrain, it will not be too costly.

I would like also to thank the hon. Minister of Lands and Forests (Mr. Mapledoram) for his great assistance in winter road projects that will give access to very important communities and parks.

We must of necessity speed up our highway works. Nickel Belt and the whole north will develop only to the extent that we open up the country with roads that will encourage this vast potential of tourist attraction, and give outlet to very important communities.

The hon. Minister of Public Works (Mr. Griesinger) is doing a very good job in building public buildings that will be of great asset to the different departments, and to the province as a whole. I would like to thank his department for their very human approach to our problems, and the assistance his department is giving to the unemployed of the north.

We hear from time to time in this House a great deal of discussion about our civil servants. It is not my intention to say very much about this matter, for much has been said already, but as I have been a civil servant, I would like to say this:

It has been my privilege to deal with a large number of them, and from many different departments, in the riding that I represent. I am not overstressing the point when I say that I have found our civil servants to be real public servants in the fullest sense of the word, and that I have found them notable for courtesy and assistance in every phase of public relations.

I would ask this, that when estimates are prepared, that provision be included for an increase to them, as I know of no other body of people who are as deserving as they of an increase, particularly so when one takes into consideration the high cost of living that exists, not only in the cities, but in the outlying and northern parts of this province.

I would like to bring out one point very strongly, for it is my opinion that a grave injustice exists as it pertains to the present system of accumulation of holidays. I think that civil servants should be allowed to accumulate their holidays, and that regulation 7 of The Public Service Act should be amended so that those who prefer to take their holidays every second year, instead of every year, should be allowed to do so. This would allow many whose families and connections are in other lands to save their holidays, and thus enable them to have a proper holiday with their loved ones.

Mr. Speaker, may I say that it is not always a good thing to have a very large riding, because its expansion creates many problems and growing pains. As I mentioned last year, Sud-

bury district has expanded very rapidly. All this growth has placed mining municipalities such as ours in a peculiar position. It is an accepted fact that important concessions have been made to our municipalities in recent years, and I was very pleased to hear the hon. Prime Minister, in his budget address, say that we were to receive additional grants. It proves once again that this government is continually looking after every citizen and community of this great province, and that by doing so we will continue to be the party of the people, for the people.

Mr. Speaker, as I am about to conclude, I would like your kind permission to address this honourable assembly in the language spoken by the majority of my constituents. I would like to express for them our thanks and appreciation in the unsurpassed good administration that this government has given to all the people of Ontario, regardless of race, colour and creed.

Monsieur l'Orateur, il me fait plaisir de terminer mon discours dans ma langue maternelle et d'exprimer à vous tous honorable députés mon appréciation pour votre esprit de camaraderie et tout l'appuis que vous m'apportez. J'apprécie grandement tout votre aide et je voudrais me faire le porte parole de tous mes concitoyens en vous remerciant bien sincèrement pour votre beau travail qui fait bénéficier tous les citoyens de notre belle province, et je voudrais remercier tous les ministres et surtout notre grand Premier Ministre, l'honorable Leslie Frost, qui est reconnu par tous les citoyens comme le plus grand Premier Ministre que cette province a eu. Non seulement il sont fiers et content mais ils sauront le reconnaître en nous retournant au pouvoir avec une plus grande majorité que nous avons obtenu le 9 juin 1955. Merci.

Mr. J. Root (Wellington-Dufferin): Mr. Speaker, in rising to take part in this debate, first let me congratulate you on the fair and impartial manner in which you have presided over the debates in the House. I want to thank you and your staff for your many kindnesses to me from time to time.

I would like, in this debate, to welcome the new hon. members to this House. I have had the opportunity of making their acquaintance, and of observing them in action in committees and in the House, and I am sure that every one will make a great contribution to provincial affairs.

We all miss the members who passed away since the last session, and I would join with others in expressing my regrets at their passing.

I want, at this time, to offer my congratulations to the two hon. Ministers. I see that they are not in their seats at the present time, but the hon. Minister of Reform Institutions (Mr. Dymond) is confronted with a great task. His department is playing a very important function in our society. This department helps people who have made mistakes to resume their place in society as honourable and useful citizens, and as he endeavours to carry out that programme I wish him well.

The Department of Mines has played, is playing, and will continue to play an increasing part in the economy of our province, indeed in our country, as it guides and directs the development of our great mineral wealth, and I wish the new hon. Minister of Mines (Mr. Spooner) every success as he carries on his programme.

I would like to offer my congratulations to the hon. mover (Mr. Kennedy) and the hon. seconder of the motion (Mr. Guindon) to adopt the speech from the Throne. The hon. member for Glengarry, in his maiden address, demonstrated that he already has a great grasp of provincial affairs, and I predict he will make a great contribution to the affairs of this province.

I was particularly impressed, as I am sure every member was, by the address of the hon. member for Peel.

I hope I can say this without offending the hon. Prime Minister (Mr. Frost) or any other hon. member in this House, but I want to say it at any cost, and it is simply this, that if I have a particularly soft spot in my heart for any hon. member in this House, it is for the hon. member for Peel.

My first direct contact with the hon. member was on a moonlit night in the early summer of 1943, when he persuaded me that perhaps I might be able to make some contribution to provincial affairs. So I look to him as my political father. Through the years, he has given me much sound advice, and he has never hesitated to criticize—in what I call a fatherly way—when he thought I was heading in the wrong direction. I have always appreciated the hon. member for Peel and to me he is a true friend, “one who knows all about you and likes you just the same.”

There were several points in his address which registered above others, with me, and I want to mention some of them. I am sure that they registered with other hon. members of the House but I want to mention the ones that particularly impressed me.

First, he mentioned the importance of the family and the Church, and the part they play in strengthening the fibre of a nation and holding a country together. That is a great truth that we should keep in mind as legislators, and we should do everything within our power to promote the interest of these two great institutions.

He recited a poem. I do not know who the author was but it went like this:

I gave a beggar, from my little store
of wealth, some gold;
He spent the shining ore, and came again,
and yet again,
Still cold and hungry as before.

I gave a thought, and through that
thought of mine,
He found himself—the man supreme,
divine—
Fed, clothed and crowned with blessing
manifold,
And now he begs no more.

This poem should remind us that, as legislators, we are not always building strong men and women when we give something for nothing. Sometimes it is better to give a thought or create a condition where man can find himself and develop as God intended him to develop.

Another point that impressed me, as I listened to the hon. member, was the number of changes that had taken place in his lifetime.

He told us how in his early days he went to bed by candlelight because people were afraid the oil lamps might blow up. Now we have passed through both of those stages and are living in the age of the electric light.

He mentioned the fact that not too long ago, when we wanted a hard surface on our road, we waited for the sun to dry up the mud puddles and bring to us that hard surface. In the intervening years, we went through the period of cedar block pavement, brick pavement, and now concrete and asphalt.

He talked about the days when we farmed with horse power, and I can remember that day myself, but now with the internal combustion engine we have moved into the power farming age. He mentioned the days when, in the winter months, we cut the wood for our year's fuel supply, then we had coal, and now oil and gas.

The thought that impressed me was that all of these changes have taken place in the memory of an hon. member who sits in this

House. I could not help but think that we are living in an age of rapid change, we cannot and should not try to check progress.

Another point that should register with every hon. member of this House was the statement that 80 per cent. of our farmers grow only 20 per cent. of our food. This means that 20 per cent. are producing 80 per cent of our food. These figures should give every one of us cause to ponder carefully the problems that confront agriculture today.

No government in Ontario has done more for agriculture than the present government. I could mention rural electrification, junior farmer loans, improved roads, and highways open 12 months in the year, and expanding economy creating a great consuming market for our production. I could mention the change in our educational programme, making it possible for our rural children to receive advanced education. Ontario is blazing the trail for the rest of Canada in farm marketing legislation.

In the light of what the hon. member for Peel said, that 20 per cent. of our farmers produce 80 per cent. of our food, I would suggest that we should keep an eye on compulsory schemes, lest we create a situation where the efficient farmer is forced to give up an efficient operation because the less efficient farmer, through compulsory schemes, is able to force everyone to operate inefficiently, because they may have the voting power to force their ideas on everyone.

As I listened to the address of the hon. member for Peel, as he reminded us of the developments that have taken place in his life, I wondered if this province would have developed as it has if everyone had been forced to do things the way the majority wanted them done.

If the individual had been compelled to conform to the wishes of the majority, is it not possible that we might still be using candles or oil lamps instead of electric lights, burning wood instead of gas and oil, waiting for the sun to dry up our roads instead of driving on pavement, farming with horses instead of power?

Mr. Speaker, I bring these thoughts to the hon. members of this House lest, in our desire to help agriculture, we lose sight of the fact that most of our forward steps have come from individuals who moved ahead of the mass, and blazed the trails that led to progress.

I suggest that we must never lose sight of the fact that the strength of the British tradi-

tion has been the religious and civil freedom of the individual. These are and have been great principles, they are principles that should never be forgotten, and in my opinion should never be scrapped.

The hon. Prime Minister did a great service to the hon. members of this House when he asked the hon. member for Peel to lead off in this debate. I cannot think of another hon. member who could have delivered the address that he delivered, because he has a wealth of experience from which to draw his thoughts.

Now, Mr. Speaker, I want to say something about the riding I represent, about its people, its problems and the effect that the government policy is having in general.

For the benefit of new hon. members, let me say that Wellington-Dufferin is a typical inland rural riding.

Within its boundaries lie two-thirds of Wellington county and two-thirds of Dufferin county, including 12 townships, 2 towns, 6 villages, and a number of police villages and hamlets.

Wellington-Dufferin is situated in the highlands of southern Ontario, north of the extension of the Niagara escarpment. Mainly, the area consists of well drained farmland; the beautiful, rolling countryside is criss-crossed by many streams of clear fresh water. In fact, in my riding are the headwaters of some of the main rivers in southern Ontario.

Wellington-Dufferin has more than just clear water. Some of our municipalities have a natural supply of fluorine in their drinking water; these include towns like Mount Forest, Harriston, Clifford and Arthur. But there is no compulsion in the riding that I represent. A person can take his choice; he can live in a municipality that has fluorine in the water, or he can live in a municipality that has just pure water.

The air that flows over our hills is fresh and pure, we do not have the problems with air pollution which we hear about around the great cities. I would suggest to the hon. Minister of Health (Mr. Phillips) that, when he is looking for a site on which to establish a provincial institution, he keep in mind this area of pure air, fresh water and beautiful, rolling countryside.

The people of my riding are industrious, peaceful, law-abiding and God-fearing. They draw their blood lines from many racial origins. They worship in the church of their choice, but they live together as good neighbours, ready with a helping hand when help is needed.

There are many points of interest in the area, in addition to what I have described. The tourist will find much beautiful scenery as he travels through the rolling countryside. North of Shelburne, in the vicinity of Dundalk, he reaches the height of land in southern Ontario. Along the Grand River and its tributaries, he will find the 3 flood control dams erected by the Grand River conservation commission. The first dam—and I believe this is the first major flood control dam in the province—was built at Belwood, the second is north of Grand Valley at the Luther Marsh and the latest—and this is a \$5 million plus contract—is at Glen Allan, just west of the village of Drayton.

I might say to the hon. Minister of Lands and Forests (Mr. Mapledoram) that there is a logical site for a provincial park at Rockwood. This is on the Eramosa River, which flows into the Speed and from there into the Grand River. In this area there is a beautiful stream and many natural rock formations that could be developed into one of Ontario's finest parks, within 45 or 50 miles of metropolitan areas of the province, taking in Toronto and Hamilton and communities up the Grand River Valley. I think well over a third of the population of Ontario would be within an hour's drive of this potential park site.

I would like to suggest that The Department of Lands and Forests have a look at this area, and see to it that it is preserved for the people of Ontario, lest some other form of development takes place and it is lost.

Mr. Speaker, I know that the people of Wellington-Dufferin would want me to thank the government for the many steps that have been taken to improve living conditions. In the rural areas, indeed in every part of the province, if we make an honest appraisal I am sure it is not hard to understand why the government party, headed by our hon. Prime Minister, is recognized as the people's party and the people's government.

The list of benefits to the people is so long that I will not go through it, lest all hon. members of this House join in support of the government and we lose our two-party system. To save hon. Opposition members from too much embarrassment, I will mention only a few of the benefits, and I will make a few suggestions that might be considered by various departments of government.

I would say The Department of Health has done a tremendous job for the people, and as I drive through my riding and indeed through Ontario, and look at the great addi-

tions to our hospitals, I realize that this building programme has been made possible because we have a government in Ontario that has been, and will be, very generous in its capital assistance.

I do not think I need to remind hon. members of this House regarding the assistance the department has given to our county health units. But I do think the hon. members of this House will be interested in one of the achievements of the Wellington county health unit. This unit operates under the direction of Dr. B. T. Dale, a man who has made a great contribution.

I want to mention the fact that, for nearly two years since the coming of Salk vaccine, there has not been a single case of polio in the whole county, and I believe Dr. Dale administered the vaccine to the various children.

I know the people I represent would want me to thank the hon. Prime Minister and his government for the leadership given in bringing about a government hospital plan. This will mean a lot to our people. They want me to express their thanks for the provincial leadership in the drive, along with the co-operation we have received from the new government at Ottawa under Rt. hon. John Diefenbaker. By working together, in a few months we have accomplished much more than—well we have accomplished much—while other people had merely talked for years, yet brought nothing to fulfilment.

I hope that in carrying out this hospital plan, the hospital commission recognizes the great assistance that they can secure in the rural areas by co-operating with the rural co-operative medical groups. These organizations have rendered a great service in rural Ontario in the past, and I believe that they could do a selling job for the commission in the future as they carry on their programme of co-operative medical service.

I hope the commission recognizes that, and makes use of this great organization.

In the field of education, I would like to remind the House that industrial expansion is taking place all around Wellington-Dufferin and this has created many problems for our school boards.

We have many people, working in industries, who live in the healthy surroundings of our country, towns, villages and townships. Yet the industries are located in other municipalities. This expanding population of commuters creates the need for additional school services, but the assessment on their places of business, as I said before, is in another municipality.

I am aware that this government has increased school grants 12-fold since 1945. No government in the history of this province has done as much to help our school boards as the present government has. We are pleased to know that even greater assistance is coming this year, which will help to solve the problem that confronts a municipal taxpayer, particularly in the areas where there is little industrial assessment.

I want to congratulate The Department of Education and the government for introducing student loan funds. These funds will assist those who want to go on and take higher education in our universities. This is something that will have general approval, I am sure.

I know that some people may feel that no interest should be charged for these loans, but I personally feel that there is nothing wrong with the principle of charging the same interest rates that we charge on our junior farmer loans. I do not see how a government could justify charging interest to our young farmers while loaning money interest-free to future doctors, lawyers, and engineers. Although all these professions and callings are important to our economy, and in my opinion everyone should receive the same treatment from the government.

And now, Mr. Speaker, I want to say something with regard to public welfare.

I am sure that everyone is pleased that this government, in co-operation with the Diefenbaker government, has done so much to help our citizens who are in receipt of welfare assistance.

They have not only made life more pleasant for many of our citizens by increased and realistic pensions, but they have also cut in half the municipal taxpayers' share of relief costs.

I want to suggest again to the department that they try to work out some type of pension for widows who have held families together, then in later years have found it hard to go back into business, and are unable to qualify for old age or disability pensions.

That goes back to what the hon. member for Peel said about the part the family plays in strengthening the fibre of a nation. Some of these widows held their small families together, and in my opinion made a great contribution to our nation, and I think that, perhaps working in co-operation with the federal government, some system—perhaps by a means test—could be worked out whereby widows who need help could receive it. After all, they have made a great contribution to the nation.

Now I want to say a few words about highways. First, let me thank the hon. Minister of Highways (Mr. Allan) for the improvements his department is making to the existing highways in Wellington-Dufferin, indeed throughout all Ontario. I would commend him, and also the hon. Attorney-General (Mr. Roberts), for their efforts to cut down accidents through better engineering, driver examinations, and law enforcement.

I would like to draw to the attention of hon. members some statistics regarding motor accidents. Contrary to what some people suggest—that trucks are the major cause of accidents—most of the accidents in Ontario occur on the days when the trucks are off the roads. Perhaps the trucks act as a governor with regard to speed. I want to quote some statistics for 1956.

We find that 15 per cent. of the accidents occur on Monday, 11 per cent. on Tuesday, 11 per cent. on Wednesday, 12 per cent. on Thursday, and 15 per cent. on Friday. These are the 5 days of the week that the trucks are most active on the highways. In other words, on those 5 days, the average percentage of accidents per day amounts to 12.25.

On Saturdays, the inter-urban trucks to a large degree leave the highways, and on Sundays practically all trucks are off the highways. We find that, on Saturday, the accident rate goes up to 22 per cent. of the total, and on Sundays to 16 per cent. In other words, 38 per cent. of all accidents occur on the two days when most of the trucks are off the highway, or an average of 19 per cent. per day. That percentage is cut down to 12.2 on the days when we have our trucks operating at capacity.

I might point out that, in 1956, passenger cars were involved in 9.2 per cent. of the reported accidents for every million miles travelled, and at the same time commercial vehicles were involved in only 5.3 per cent. of the reported accidents for every million miles travelled.

I would remind hon. members that, among the commercial vehicles are the group that is forced to file proof of financial responsibility: the PCV and PV operators. These figures would indicate that filing proof must have some favourable effect on the accident rate. I am pleased to know that we are moving in the direction of developing in the minds of people some sense of financial responsibility.

I am pleased to know that the department is presently engaged in further studies along this line, and is strengthening our unsatisfied

judgment fund, and through that fund perhaps we are making our motorists responsible conscious.

Now, I would like to draw to the attention of the hon. Minister of Highways the problem that confronts Wellington and Dufferin counties. This problem has developed from a fact that there is a great need for additional high standard roads to take care of increased provincial traffic—both passenger vehicles and heavy trucks—in the southern part of the country, particularly in the area between highways Nos. 7 and 9, and between highways Nos. 6 and 10. This area is approximately 30 miles from east to west, and 30 miles from south to north. In this particular area we have many commuters driving to and from work to industry in the surrounding municipalities.

We have heavy transport vehicles using county roads, and there are no other roads for them to use, there are no north-south highways between highways No. 6 and 10, a distance of nearly 30 miles.

Now, this whole situation has been and will be greatly aggravated by the discovery of a huge deposit of sand and gravel situated 25 or 30 miles north of Lake Ontario. Driving down a week ago Monday from Caledon to Brampton on highway No. 10, a distance of 14 miles—I covered the distance in 20 minutes, so hon. members will know I was under the speed limit—I met or passed 28 gravel trucks, and this is the off season.

This material, as we know, is moved in large heavy trucks. The deposit I have mentioned extends, we know, from highway No. 10 at Caledon to an area north of Acton. Already 9 companies are operating, or are preparing to operate, in this area.

I have discussed this problem with a British firm that has purchased about 900 acres adjacent to the village of Erin, and they tell me that they estimate, on the basis of tests, that they have 75,000 tons of gravel and sand per acre—in other words some 67.5 million tons. Now, hon. members can imagine what such heavy loads will do to our county roads unless we have a higher standard of roads in the area. And that is just one firm; there are 9 firms in the area.

Now, we all know that the greatest development I suppose in North America is taking place in the area north of Lake Ontario, particularly between Toronto and Hamilton. I have listened in this House to hon. members talk about the golden horseshoe, and about Canada's industrial basin on the north shore of Lake Ontario. I have heard hon. members talk about the great developments that will

follow the completion of the St. Lawrence seaway.

Now, we find this huge deposit of natural building material right in the centre of this future development. Providence has been kind. I suggest that we should co-operate by building roads which will make possible the delivery of this material in economical loads by direct routes.

I have heard hon. members talk about cheaper homes and cheaper buildings. I wonder if they realize what it will mean if we have to divert these trucks onto the existing highways.

For instance, if one wanted to take a load of gravel, say, from the village of Erin down to Oakville, he would have to go back about 8 miles to highway No. 10, then come back into Oakville, an extra distance of 15 miles, to stay off our county roads and use the high standard highways.

I have checked with a number of firms to find out what this extra 15 miles would mean, and I am told that for every mile travelled over 20 miles, the trucking industry charges approximately 4 cents per ton a mile—or in other words, if a driver goes 15 miles out of his way, the cost of sand and gravel is increased by 60 cents a ton, or 90 cents a yard, when it is delivered to the ultimate consumer.

Translating that into the terms of the deposit I mentioned, held by this one British firm, we find that the lack of proper roads could cost the ultimate user an extra \$40 million. Then let us remember that there are 8 other firms already established in the area.

I would suggest that the cost of building just a few miles of high standard roads in a north-south direction would be a good investment for the people of Ontario.

I do not think that we should expect the home builders in the surrounding area to pay the extra cost that will be necessary if we are going to keep off the county roads, and use the high standard highways. We have the people who are building homes, schools, churches, hospitals, business establishments, industrial plants, roads, streets and highways. I think that we could render a great assistance to these people, and take some of the burden of taxation off the people I represent, by having developed in that area the needed north-south high standard roads.

I would suggest to the department that they should give careful consideration to the suggestions of Wellington and Dufferin counties when they request the department to do something about building the road from

Oakville north into that area, extending No. 25 highway north, and building the road between Orangeville and Fergus, because the industrial development has reached that far north. By so doing, for a fraction of what would be involved in transporting this necessary building material around by the existing routes, we could provide a great service to the people in that area where we know the greatest development in North America is taking place, and where Divine Providence has seen to it that we have the necessary building material right in the heart of the developing area.

I would suggest that it is not altogether fair to ask the taxpayers of Wellington and of Dufferin to build the necessary roads when the major benefit will be received by other people in other municipalities.

Now, Mr. Speaker, I want to point out that I am not trying to establish a new principle. When they found iron ore at Steep Rock Lake, the province of Ontario did not ask the people of Atikokan to build the highway, the province built it.

When they found copper at Manitouwadge, the local people did not build the road, the province built it.

When they found uranium at Elliot Lake, the local people did not build the road, the province built it.

When they found gold at Red Lake, the local people did not build the road, the province built it.

That has been the principle carried out in other instances, and I suggest, since we found this huge deposit of natural building materials in the centre of the greatest development that is taking place in North America, that if high standard roads are needed the province should build them.

Now I want to say a few words about agriculture. I have already said that no government has done more for agriculture than the government headed by the hon. Prime Minister. I want to congratulate the hon. Minister of Agriculture (Mr. Goodfellow) in the way he administers that department.

A year ago, on March 20, I told the House that the overall policies of this government had attracted 1.5 million new people into the province, and created a great consuming market at our door. This year, our total population in Ontario has reached 5.75 million people. A year ago I said that in spite of the best efforts of this government, farm prices were still down and I asked why. And to answer my own question, I quoted

federal government figures to show that the government which was defeated on June 10 had been allowing the importation of farm produce and depressing our prices.

I might read some of the figures that I quoted a year ago. What sent me on this investigation was a statement that appeared in the *Globe and Mail*, reporting Mr. Harris' presentation of the budget, when he said that heavy imports, particularly from the United States, help to restrain the rise in Canadian prices by making more goods available. These heavy imports pushed Canada's deficit in foreign trade of goods and services to a record \$1.4 billion, double that of 1955.

A year ago, I said that this was a statement of policy by the hon. Minister of Finance, that there had been a deliberate policy of allowing goods in this country to restrain the rise in the price of Canadian goods.

I mentioned some of the things that were brought into the country, including \$1.699 million worth of mutton, over \$6 million worth of potatoes, over \$3 million worth of turkeys, over \$3 million worth of other poultry, and so it went all down the line, eggs, cheese, the things that our own farm people were producing. They were producing these things at low prices due to this policy that was carried out by the government that was defeated on June 10, that of bringing in goods to keep the price down. I was not in the least bit surprised on June 10 when the rural people from one end of Canada to the other said "we have had enough." That was the end of that government.

Now, Mr. Speaker, may I state that, as I listened to some of the people, who were talking in this federal election, say that this Diefenbaker government is fooling around with trade and were going to get the people into trouble, I began to get a little curious and decided maybe I had better see just what is happening. I did not know whether I could make this speech or not, but I went over to the Parliamentary library, and there I took a look at what the market prices were for some of our major farm produce a year ago, and what and how our prices today compared with that figure.

Those of us who farm remember 1951, when we sold steers as high as \$40 per 100 pounds and hogs about the same figure. We remember how, for 4 or 5 years, the prices went down and down, under this policy of bringing in goods to restrict the advance in farm prices. Last year, the price of choice steers was down to about 20 cents a pound. I went over to the library and I compared the market quotations for the same day of

the same week, Tuesday, February 12, 1957, and Tuesday, February 11, 1958. This is from the *Globe and Mail*:

MARKET COMPARISONS

Tuesday, Feb. 12, 1957 *Tuesday, Feb. 11, 1958*

Generally strong tone in trading
Ontario Stock Yards,
Toronto, Ontario

Trade was active on
Ontario Public
Stock Yards

STEERS		Cwt.		Cwt.
Choice	\$19	-20	\$22	-23
Good	18	-18.50	20.50	-21.50
Medium	14	-16	18.50	-20
Common	12	-14	17	-18

HEIFERS				
Choice	17		20	
Good	16	-16.50	19	-20
Medium	14	-16	17	-18.50
Common	12	-14	14.50	-16.50

FED YEARLINGS				
Choice	20	-21.50	22	-23
Good	19	-20	20	-22
Medium	16	-19		

COWS				
Good	11.50-12		15.50-16	
Medium	10	-11	14	-15
Common	9	-10	13	-14
Canners and cutters	7	-9	10	-13

BULLS				
Heavy				
Bologna	13	-13.50	17.50	-17.75

VEAL CALVES				
Choice	31		36	
Good	26	-29	29	-33
Common	12		18	-24

HOGS				
Grade A	34		30	
Sows	25		23	
Stags	15		15	

LAMBS				
Good	22.25-		24	
Common	14			
Sheep	3	-9	4	-9

BUTTER AND EGGS				
Canada first grade	58c		62½-62½	
Tenderable butter	58c		62½-62½	
Country price churning cream	60c		64	

EGGS-Delivered to Toronto				
A. large	36		36	-37
A. medium	34		34	
A. small	32		29	
B.	31		29	
C.	26		25	

Cattle population in Canada on June 1, 1957: 11,245,000.

Average weight: approximately 1,000 lbs. at 3½ cents per lb.

Increased value: \$374,795,850.

Now, Mr. Speaker, when I read these figures I could not help but think that if that much has been accomplished by the Diefenbaker government, in stabilizing trade and establishing sound policies in 8 months,

I am quite sure the farm people are going to give them 4 or 5 years to do a real good job.

I have always said that when agriculture is on a sound basis the country is on a sound basis. I am sure that everyone in this country appreciates the farm stabilization policies that are being carried out in Ottawa today, and with this change of trade policy, putting a little bit of restriction on this dumping of goods into this country to keep the prices down, we have this country well on the way back to a sound stable economy, and I am sure that on March 31, we will see the people of Canada recognizing what has been done.

Now, Mr. Speaker, I could have taken the following week and told hon. members that, on that week, the price of cattle moved up another \$1 per 100 pounds, and that, put another \$110 million in the farmers' pockets, but I just made a comparison the same day of the same week under two different types of policies. I did this because I hope the hon. members of this House will realize that times have changed. I know that the farm people realize the former steady decline in farm prices has started to move in the other direction—up, up.

Now, Mr. Speaker, I want to conclude my remarks because I see that it is nearly 6 o'clock. I want to commend the hon. Prime Minister for his long and patient efforts as he fought the battle for the municipalities and provinces, trying to secure a fair share of the tax dollars from the federal government.

For years, until June 10, it looked as though we were up against a stone wall, but the wall tumbled, and now things are different. We have a government in Ottawa that realizes the justice of the stand that was taken by our hon. Prime Minister, and we have our interim grant of some extra 3 per cent. of the income tax—\$22 million. What did we do with it? We put it right into education, and added another \$11 million to it, and I am sure that the people of Ontario will see to it that that stone wall that was there before June 10 is not built back. I am sure that they are going to see to it that we have a government in Ottawa that we can go back to, after March 31, and complete the agreement to put us in a position to do an even better job for our municipal taxpayers.

I would say to the hon. Prime Minister that, through his stand, he has won us many concessions, and I am sure that the people of Ontario will not forget the battle he has waged on their behalf.

Before taking my seat, I want to say that it is a privilege to speak to this House, representing as I do one of the finest—I will say the finest—rural riding in the province, supporting this progressive people's government and the greatest hon. Prime Minister that Ontario has ever had.

Mr. G. T. Gordon (Brantford): Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

It being 6.00 of the clock, p.m., the House took recess.





Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Wednesday, March 12, 1958

Evening Session

Speaker: Honourable The Rev. A. W. Downer

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, MARCH 12, 1958

8 O'CLOCK P.M.

The House resumed.

Hon. J. N. Allan moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to.

ESTIMATES, DEPARTMENT OF EDUCATION

On vote 401:

Hon. W. J. Dunlop (Minister of Education): Mr. Chairman, I freely confess to you that I am a great admirer of the hon. leader of the Opposition (Mr. Oliver). His fiery eloquence fascinates me as I sit here day after day, and sometimes I imagine that he has really almost convinced himself that the stern warnings that he directs to me are necessary.

This year, he has warned me that I should very soon, if not immediately, dispense with my emergency courses on the elementary level. May I say that a condition, which he calls a crisis, I think, a condition that has grown up for more than 20 years can scarcely be cured under 10 years anywhere.

We began these courses in 1952, and we shall have to carry them on, I think, because we have the few to teach the many. We shall have to carry them on until 1962. That will not be so very long and they are working out very well.

Now let me tell hon. members a little incident. At the Canadian conference on education in Ottawa, there were a number of so-called workshops. I do not like the name, but that is what they call them. In this particular workshop, there was a representative from each of the 10 provinces, and there were one or two others, from where I do not know.

They began talking about my emergency courses and were all against them. Then, one bright mind, perhaps a psychologist, said: "Let us discuss this from another angle. Let us discuss this phase of it. What would each one of us have done if we were in the position in which the hon. Minister found himself in 1952?"

They discussed it from that angle for quite a while, and then they came to the con-

clusion that each one of them, in that group, would have done exactly what I have done to solve the situation.

I might say also, regarding the emergency courses at the secondary level, that one or two very prominent educationists, who opposed me publicly regarding those emergency courses, have come in with delegations to tell me that it was the only practical way to solve that particular situation.

Then, of course, there is the hon. member for Waterloo North (Mr. Wintermeyer) who talked about letters of permission and letters of standing and got them all mixed up. He was forgetting that, of those letters of permission and letters of standing, 343 were issued to teachers, who came to us from other provinces, or from other countries. There were 343 of them—more than one-third of them—for that purpose.

Those teachers, coming to us from other provinces and other countries, have been well prepared in their own places and have come here because they like conditions better.

So letters of permission and letters of standing are not any great evil. They are a great solution, and they give an opportunity to well-prepared teachers who come to us and who are entitled to that particular privilege.

Then, of course, my genial hon. friend from Lambton East (Mr. Janes) nearly made me weep when he read about the terrible conditions in those rural schools.

Mr. Whicher: Kent East, he means.

Mr. D. C. MacDonald (York South): I hate to see Tories make the Tories weep.

Hon. Mr. Dunlop: I mean Kent East (Mr. Spence). Yes. That was a slip of the tongue.

He made a good speech, but he had not discovered—of course, he did not have an opportunity to discover—that there are a good many new and higher grants for these same rural schools.

Then, the hon. member for York South was not kind to me at all. I got up and wanted to ask him a question, and with that long index finger, he slapped me down. I think he said something to this effect anyway: "I will get you when your estimates come up." And here came the long finger.

Anyway, he would not let me ask a question, but I am not going to do that. If he wants to ask questions, I am perfectly willing to let him do it. I am going to return good for evil in this case.

Mr. MacDonald: I must have been a little weary. That was about the twelfth question.

Hon. Mr. Dunlop: Sometimes, as I sit here and that long index finger is directed to this part of the House—

Mr. A. Wren (Kenora): It might be loaded.

Hon. Mr. Dunlop: —it seems to me to have become about a foot long sometimes, and, oh my, I shudder and I think: "Well now, how I wish that I could be as sure of anything as he is of everything."

I wanted to ask him a question about grade 13 pupils when he was quoting figures, which were correct enough if one explained them, but were not correct if one did not explain them. He stated that there were 13,217 grade 13 pupils in all Canada. That was right, was it not? But Alberta does not have any. Saskatchewan does not have any. Manitoba does not have any. Nova Scotia does not have any. They do not have grade 13 in those provinces and, for many, many years, grade 13 was a course only in Ontario and in British Columbia.

Now British Columbia has 879 of them. Ontario has 11,487, Quebec has only 704, New Brunswick has 98, and Prince Edward Island has 49.

I wanted to ask him a question to get him straight on that, to show that Ontario's number of grade 13 pupils is very good.

I think I must digress for a moment, and if anything in the little story which I am about to tell should seem to fit any conditions here, that will be purely coincidental.

Some hon. members will remember the story which has no relevance at all to anything here. It is the story of Don Quixote. Don Quixote was a legendary figure in Old Spain. In the morning, he was accustomed to mount his trusty steed and gallop off in all directions at once, knocking down non-existent windmills and using his lance to destroy them, but he never accomplished anything. He got everywhere, was interested in everything, but he never, never accomplished anything. Now as I said, that is purely coincidental.

Mr. T. D. Thomas (Oshawa): Purely coincidental.

Hon. Mr. Dunlop: Now, regarding teachers' supply which is talked of so much. So far, all

is well. I would like to explain this side of it. A man or woman who graduates from the university, after a 3-year course, and goes to the college of education, gets, if successful, a type B certificate. That means that he or she is not a specialist. He is a good teacher, able to teach a good many subjects, but he is not a specialist in the educational meaning of the term.

One who takes a 4-year course, an honour course in the university, and goes to the college of education, may be a specialist in mathematics and physics, or in physics and chemistry, perhaps in English and French, or English and history. He or she gets a type A certificate and is a specialist.

Now we do not have as many specialists as we should have, and we have not had for a good many years; that is, people who have taken honour courses.

When I was in the University of Toronto, I arranged, against a good deal of opposition, summer courses (now somebody is going to say that I am always addicted to summer courses and so I am) by which people who have type B certificates—that is, were not honour graduates—could work along, taking certain specified work, and become specialists in the subjects of mathematics and physics, or it could be English and history, or it might be some other of those special combinations. I carried those courses on for a good many years over there until I left, and then they dropped off. But a year ago, having assembled the heads of the universities of the province, I appointed a committee with dean Earl of Queen's as chairman and dean Lewis of the college of education as vice-chairman, to work out again that same plan, to provide that we may be able to say to people who are ambitious to improve their qualifications: "Now, here is what you need to do, if you want to be a specialist in English and history, here is what you need to do if you want to be a specialist in mathematics and physics," and so on.

That committee of deans of all the 7 universities met frequently and worked out a better scheme still, a scheme by which a person with type B can proceed to type A, but it is a long road, and they arranged that the person who gets half-way through can then have a certificate endorsed, and he is not a specialist but he is half-way to it, and he can get a very much better position.

So most of those people (and Queen's University was the pioneer in that, in providing those summer courses) who get that far are almost certain, almost all of them, to go on and become specialists.

So gradually we are establishing a plan by which we shall have more specialists than we have had before.

Now then, the hon. leader of the Opposition talked to me about curricula, and his ideas and mine are exactly the same regarding curricula. He was really encouraging me to go ahead and do what I have been doing.

Let me tell the hon. members about the curriculum. For the past 25 years the curriculum was just not all that we would want it to be. It takes some time to get it back, and we are getting it back to fundamental education, getting it back to stress the subjects that are really essential, in order to equip young people for the work they have to do.

Now, to get that done, I have established in The Department of Education two new branches. One is a branch on curriculum, with Colonel Watson as superintendent, and there are 3 officials in that particular branch. The duty of that branch is to revise continuously the curricula in the elementary and the secondary field. That is a change that has been necessary and will produce great results in the reformation, shall I say, of the curriculum.

For instance, we can offer to the schools not only the old course that they have had for 25 years in social studies but we will say to them: "If you want that, carry it on for a little while, but take rather if you will history, geography and government instead, and have some real work done in those standard subjects of history, geography and, as we used to call it, civics." So that branch in the department is a new departure.

I also established another one. People told me, as my hon. friend from Kent East would say, that there were some teachers in the rural schools who needed assistance, who were having difficulties. I heard that there were some, too, in the secondary field who could do with a little assistance. They would be good teachers, but there was something more that they needed in the way of experience.

So I established another branch in the department and called that one the professional development branch. I put, at the head of it, Mr. C. B. Routley. There could not be a better man for that type of work. I trusted the secondary field to inspector, as he was then, R. H. Wallace, also particularly well qualified for that sort of thing, and these men—there are two in the elementary field and one in the secondary field—are going around the province assisting principals, finding out where help is needed, holding meetings (reading councils, some of them are called). It

is not always the young teachers among whom they find the difficulties; they find that some of the older teachers also need assistance. So there are those two new branches in the department.

I do not need to tell hon. members very much about the Ontario school for the blind in Brantford. Good work is being done there, as I think the hon. member for Brantford (Mr. Gordon) will agree. There are about 200 pupils there. They are happy people, learning, studying, playing, and altogether are making very fine progress.

At Belleville is the Ontario school for the deaf with 400 hundred children, unfortunately, 400 children. We cannot take them at Belleville until they are almost 6 years of age, and in most countries the condition is that those young deaf children, unfortunate as they are, should be taken into a residential school at about the age of 3 and given the correct sort of treatment from there on.

And so, because—again I say unfortunately—there are getting to be more and more deaf children in the province, with the co-operative assistance of the hon. member for Halton (Mr. Hall) and with the co-operation of my colleague, the hon. Minister of Public Works (Mr. Griesinger), I have been able to obtain a site partly in the town of Milton, and partly in the township of Trafalgar. It is 97 acres in extent. I hope to persuade the hon. Minister of Public Works, and I do not think it will be difficult at all, to erect a second school for the deaf. It will be in the Hamilton area, and in the Toronto area where the need is greatest. So that is another development that is going to mean a good deal for handicapped children.

Our teachers' college at London is almost finished, our teachers' college at the Lakeshore, out in New Toronto, is on its way, and we are planning another teachers' college before too long at the Lakehead, and then after that at Ottawa.

At the Lakehead we built—that is, The Department of Public Works built—a beautiful college to replace the old Lakehead technical institute and that has been handed over to a board of governors on which the Minister of Education has 3 representatives.

It is on an ideal site. It began with 173 students, 50 of them part-time teachers, who are working towards the B.A. degree, and so the next step is to put a teachers' college on an adjacent site, and to have everything that that part of the province can possibly desire in the way of education.

Then my friend the hon. member for Brant (Mr. Nixon) has several times talked

to me and talked here about the education of our Indian children, and it is a matter in which I am very much concerned too. They use a big word, hon. members know—integration—they talk about the integration of Indian children with other children. But it simply means this: How are we going to get away altogether from discrimination? How are we going to arrange to have our Indian children just like other children in the public schools and high schools?

So I have been giving a good deal of thought to that and doing a good deal about it, too. I went up to Moosonee and to Moose Factory in September, just to see for myself how two groups in the same school get along, and I saw a huge school for Indian children only and I saw a smaller school in Moosonee for Indian children only. But then I saw, in both places, schools in which there are both Indian children and white children (shall I say?) and they were getting along perfectly.

Mr. H. C. Nixon (Brant): Non-Indian.

Hon. Mr. Dunlop: Non-Indian? Is that a better word?

Mr. Nixon: They like it better. Yes.

Hon. Mr. Dunlop: Well, I am going to use that now. I thank the hon. member. Non-Indian children. The Indian people I found are very proud of the fact that they are wards of the Dominion government to a degree; they are very proud of it.

Mr. Nixon: I do not agree with the word "ward", at all.

Hon. Mr. Dunlop: What would the hon. member say instead?

Mr. Nixon: There are no grounds for that term at all, as far as the Indians are concerned.

Hon. Mr. Dunlop: He would not say "subject" would he? Well now, I want a word.

Mr. Nixon: The original citizens.

Hon. Mr. Dunlop: Original Canadians? Well, anyway, I ran into a little difficulty in that, up at Garden River somewhere near Sault Ste. Marie, where they did not want their children to go into a public school. But I would like to read two reports that I have here, one from my own department, from the superintendent of elementary education, the other from Mr. Fortier in Ottawa, of the Indian affairs branch.

Now, this first letter is this:

Indian children are admitted to Ontario secondary schools and the cost of their tuition is paid by The Department of Citizenship and Immigration. Under this arrangement, more than 2,000 Indian children are now attending secondary schools in Ontario.

That, I think, is very, very fine and something of which we could all be proud.

Considerable progress has been made in arranging for the admission of Indian children to schools operated by public and separate school boards on a cost basis. Such arrangements are by agreement between The Department of Citizenship and Immigration and the school board concerned, but this department co-operates closely in bringing about such agreements.

Emo, Orillia, Sarnia, Ridgetown, Otonabee and Fort Frances are places where considerable numbers of Indian children are admitted to elementary schools.

In several places, The Department of Citizenship and Immigration has paid for the additional class rooms required.

Now, that is something that pleases me very much, and I am sure that it pleases the hon. member for Brant, too. It is estimated that there are at present over 1,200 Indian children attending public or separate schools in Ontario, and that over 100 such schools are in that situation.

Then, from the Indian affairs branch at Ottawa, I have a report, and a very fine one, giving me the number of Indian children in public school and separate school in Fort Frances; James Bay; Moose Factory Island; Rice and Mud Lakes; Sault Ste. Marie; Sarnia; Simcoe, 45; Walpole Island, 65; Walpole Island public school, 135; Nipissing, 14, and so on. And then he says this:

For your information, I might say that we have consistently explained to school boards when dealing with them that the Indian affairs branch has no desire to place any extra burden upon the taxpayers of the district. We always explain that the department is willing to assume its fair share of capital expenditure and tuition costs.

As well as this we might mention that, in general, the branch pays transportation costs for Indian students where this has been found necessary.

and then he goes on to say,

these Indian children have been accepted without question throughout the province.

We have splendid co-operation from the high school boards and so on, so I can say to my hon. friend from Brant that the work is going ahead, and will go ahead still further, and that we will do everything that needs to be done, everything that can be done, for that so-called integration of Indian children.

We have then another class of people to deal with, and that is New Canadians who come to us in such numbers. Our community programme branch has evening classes in various parts of the province for New Canadians. In these evening classes, they are taught basic English and citizenship. It is a 3-year course—3 winters—they get a diploma; they can present that diploma to the judge who admits them to citizenship, and it is accepted by him.

But then we go further than that; we have summer courses for a good many of them, right here close to us in the university.

Therefore we are attending, I think, to all classes of citizens.

I had a conference not long ago with the presidents and heads of all the universities in Ontario, and we discussed present needs in university education; we spoke of mathematics, science and English, and there was the greatest expression and the most cordial co-operation about stressing the subjects which this country needs in this new era into which it is entering.

Then, here is one of the most important of the developments; there are plenty of young men and young women wishing to go to university, and going to university; but then there are others who want shorter courses, who want different courses, who are—shall we say—practical-minded people, perhaps people who can do more with their hands than they can with books. So we are establishing a second stream—one for those who want to go to university, who can profit by a university education, who are of that particular type, and then a second stream for the others.

There is a class of New Canadians in the gallery tonight, I am told, and as I have said, we are doing everything that we can for them.

But the great pleasure of that particular work—having 25,000 New Canadians in these evening classes throughout the province—is that they realize how important education is and are taking full advantage of it.

We just cannot get any better students than these New Canadians, who know that they are going to need English, and they want to work at it and learn it, and to learn what citizenship means in this province.

I was talking about the two streams of higher education. We have our 7 universities, and we shall have more, I hope, before too long.

Then we have the Ryerson Institute of Technology. That institution, I have learned so many times, has an international reputation. There is none superior to it; it is doing just the great work that it was intended to do. But it cannot do it all.

So we have now in Hamilton, the Hamilton Institute of Technology now in its second year and doing very well; there are some 115 students attending it.

We set up another one in Ottawa, the Eastern Ontario Institute of Technology, and it is carrying on with about the same enrolment as Hamilton, and doing very well.

We have, of course, the one at the Lakehead, which is still doing the work it used to do and doing it well, in addition to its other work. Then we are setting up one in the city of Windsor, where we expect to have a real enrolment and the very best of good work.

One more point is the education of retarded children. Mr. Chairman, here is another branch of the work which is performing a great function, and we are always sorry to see that work grow, but we have more and more retarded children who need our attention.

We do not do that work directly, we do it this way:

Parents of these unfortunate handicapped children form a council in a town or city. They know the need, some of their own children will be in the school which is to be set up. They use perhaps a church basement for a while; classes must be small; they get good teachers, frequently retired women teachers, and they do excellent work so far as work can be done.

Then they want a new school before long, a building, and we pay a capital grant for that building. We pay \$250 a year for each retarded child in the school who attends for half a day on the regular ADA system. We pay \$500 a year for a child over 12 who is strong enough to attend regularly for a full day, and so by means of those grants we meet 88 per cent. of the cost, apart from transportation.

We do not meet the transportation cost—often service clubs do that—but our grants pay 88 per cent. of the cost outside of transportation.

Now I come to a point that was brought up this afternoon. Should grants be paid to school boards that close the schools for one reason or another? If, in the case of an epidemic, a medical officer of health closes the school, then the grants are paid. No question about it. That has been the custom for many years.

But this year we had Asian flu, but the medical officer of health did not close the school very often. Whatever his reasons may be, he did not close the school. Some teachers were ill, substitute teachers had to be paid to take their places.

Now, if we said in the case of flu: "We will pay the grants just as if the children were there," what are we going to do when perhaps there is chicken pox for a few days, mumps, measles, all that sort of thing? Are we going to open the door wide and say: "No matter what comes or goes, you will get your grants whether the schools are closed or not"?

Mr. R. Whicher (Bruce): Mr. Chairman, could I ask a question? Is it not true that the hon. Minister has already collected that money? In his estimates tonight, he is asking for \$133 million. Now, I suggest they are going to be in the estimates, and the money is in the Treasury whether the schools are closed all next year. The money is still there. Why not give it to them?

Hon. Mr. Dunlop: I think it is not a matter of money, it is the matter of a principle. Now look, snow closing schools in a city. How could that be possible within a city—a good city, a big city? We get no complaints from up north.

Mr. MacDonald: No, but we get 8 inches of snow here and we are tied up solid; they get a foot and a half up north and they can contend with it.

Hon. Mr. Dunlop: Here now, let the hon. member hold on. I will keep some boys in after school if they do not keep quiet.

Here is one case: here is a high school where the children are brought in by buses, and some of the buses get in and the boys and girls in the town get in, and the teachers get in, but suppose all the buses do not get in, so we close the school for two days. Now, are we going to encourage that sort of thing? Why could they not go on with the school if

half the children were there, and nearly all the teachers were there, why not go ahead and perhaps review something for those children who managed to get there? I think we open the door pretty wide.

Mr. Whicher: I am just a pupil.

Hon. Mr. Dunlop: I think probably we have discussed the student aid loan fund sufficiently, and, of course, we have training camps where we train young people to carry on as counsellors in non-profit camps. So, Mr. Chairman, I have tried to explain to this somewhat refractory class a little of what we are trying to do in The Department of Education.

Mr. Whicher: Mr. Chairman, it is not my intention to comment very much at all about this subject, but I might say in starting that I do not think there is any hon. member sitting on the government side of the House we respect more as a gentleman and a fine chap than the hon Minister of Education.

I might say that there are others there whom we respect as men, too, but with whose ideas we do not necessarily agree. And I respectfully point this out, that where there is smoke there is bound to be a lot of fire. Most certainly, in the newspapers and criticism of the teachers' associations across the province of Ontario, there has been a great deal of smoke in the past few years.

So I suggest that if that smoke has been there, all is perhaps not as smooth as the hon. Minister of Education would lead us to believe in the field of education in this province.

I am sure that all of us who are in this House tonight appreciate the fact that the teaching of our sons and daughters is perhaps one of the most important things that we have to do in this life of ours. Most assuredly it is important when we are teaching doctors, lawyers, engineers or whatever profession it may be, and I point this out, that surely it is most important that if we are going to properly train a lawyer—who may or may not have to defend us as we go on in life—then most assuredly is it important that we train those people who are going to teach our own sons and daughters.

I say to the hon. Minister, most respectfully, that such has not been the case in the province of Ontario for quite some time. No matter what he says, in his speeches here or to educational groups throughout the province, the fact still remains that there are many teachers, who are standing in front of classrooms in this province, who are not properly qualified to teach our children.

While this has been mentioned many, many times, in this House during the past two or three years—about the fall-out and the number of people who are improperly trained—nevertheless it is my duty tonight to remind the hon. Minister once more to try to take stock in his house to make sure that more people, properly qualified, come before the classrooms of the schools of this province.

Now surely it is not right, when we consider a professional man like a lawyer, who has to have 4 or 5 years' training, for a professional man like a school teacher to be able to step out of high school and take 6 weeks' training, and in a professional capacity as a teacher, go and teach the students in any particular school, wherever it might be.

Hon. Mr. Dunlop: Does the hon. member know that in England men and women step out of university without any professional training at all and go and teach? They may take professional training if they wish, but it is not required. A university graduate steps out and teaches.

Now many people like the hon. member for Bruce have criticized my plans for producing teachers. Not one person—young, old or middle-aged—no one in education, has ever suggested any other way to solve the problem. Now would the hon. member suggest another way?

Mr. Whicher: Well, Mr. Chairman, I hope to be able to suggest a way, but I respectfully point out to the hon. Minister of Education that he just told the House that in England they step out from university without any training at all, and perhaps teach in elementary schools.

Hon. Mr. Dunlop: Oh, no, high school.

Mr. Whicher: Well, the hon. Minister said university.

Hon. Mr. Dunlop: May I say this: they step out of university with a B.A. degree and go and teach in high schools.

Mr. Oliver: That is quite a difference—

Mr. Whicher: That may be true as far as—

Hon. L. M. Frost (Prime Minister): I have just come from a little gathering at Devonshire House. Believe it or not, I was a resident, at one time, in North House in the university, and they asked me back there tonight. I had a very interesting time.

Apropos of what my hon. friend says, I was talking with a large group of these young people, students in engineering and science and so on, and they asked me that very ques-

tion. They said: "We would be very glad to teach, the only thing is that we have to spend a very considerable time in the Ontario College of Education," and they asked why it was they could not go and teach as they do in other countries. Now I think that is an interesting point.

Mr. Whicher: Mr. Chairman, I would ask the hon. Prime Minister, who seems to have come to the assistance of the hon. Minister of Education—that I do not want them to "gang up" on the "boys" over here. I would say to the hon. Prime Minister that he should have told them to simply get a letter of permission, and then they would not have to take the training, because there were 1,003 people in the province of Ontario who went out with no training whatsoever. So the hon. Prime Minister is entirely wrong, all he should have told those people at the Devonshire House tonight was this, that they did not have to take any training, that all they required was a letter of permission from the hon. Minister of Education.

Hon. Mr. Frost: I will send them word at once.

Mr. Whicher: That is what the hon. Prime Minister has been doing for a long time and he slipped up on that one.

Mr. D. M. Kerr (Dovercourt): The hon. member for Bruce has lost his place.

Mr. Whicher: The hon. member for Dovercourt never had a place.

I was listening very attentively to the hon. member for York South (Mr. MacDonald) this afternoon, when he was suggesting to the hon. Prime Minister that he could pick a new Provincial Treasurer, and there is no one I would rather suggest than the hon. member for Dovercourt (Mr. Kerr), because he seems to speak up at every opportunity. I am sure he would love to get a chance at the budget.

Mr. Kerr: The hon. member made the statement that there were so many teachers working on letters of permission. Is he aware of the fact that they have to have a certain qualification before such a permission is granted?

Mr. MacDonald: Some of them have failed in college.

Mr. Kerr: One does not fail the course and get a letter of permission. He can fail certain subjects.

Mr. MacDonald: Some of them failed in teachers' college, and that is why they got the letter of permission.

Mr. Kerr: They can fail certain subjects.

Mr. MacDonald: No, they fail the course.

Mr. Kerr: They are not failing a course.

Mr. MacDonald: The hon. member does not know what he is talking about.

Mr. Kerr: I know what I am talking about. The hon. member for York South does not know.

Mr. Whicher: Mr. Chairman, I am sure that the hon. member for Dovercourt by his latest speech has shown that he is well qualified for his position, and I will recommend him—

An hon. member: The shortest provincial treasuryship in history.

Mr. Whicher: Well, I will tell the hon. member for Dovercourt, if he would just listen he would get further ahead. Now I really do not like to carry on and point out to the hon. Minister of Education, because of the interruptions here, the fall-out in the teaching profession that has taken place during the last few years, as it has been mentioned many times here, but for the purpose of record I must tell him once again tonight.

In 1952-1953, there were 494 in the summer course, and there were 119 who dropped out in the next year. I will skip some of these. In 1956-1957, there were 976 who entered that course and this year 216 of that number dropped out.

Now, I suggest to the hon. Minister that, in spite of the fact that he is telling us everything is fine, in instances such as this there is some trouble somewhere, and it should be looked into.

Interjection by an hon. member.

Mr. Whicher: Well, I will tell the hon. member, if we get the opportunity. It will not take us long. We will not ignore it as this government has done for the past 10 years. It will even make the hon. member's hair curl.

Hon. G. H. Dunbar (Provincial Secretary): He will be the next Minister of Education, 50 years from now.

Mr. Whicher: The hon. Provincial Secretary will not have to worry about it, anyway. I hope you will bring these people to order, Mr. Chairman. It is all right behind me, I do not mind them. It is these people over on the other side who bother me quite a lot.

I might say there is no bother over here to my left, anyway, in case the hon. member thinks otherwise.

Now, I just wish to remind the hon. Minister that in 1957-1958, there were 3,648 people at teachers' college and included in that number were 1,814 in emergency courses. Now, time after time—and I am trying to be fair in this—the hon. Minister has said this is an emergency situation. I suggest to him that it is really some emergency, when out of that number of people he has 1,814 taking emergency courses.

According to his own report, we are now training about one-third or more of our elementary school teachers each year on this emergency summer school course. In my notes here—with an exclamation mark after it—I have, "Some emergency!"

I think the hon. Minister will agree that the time is long past when one can say that this is an emergency. Under his Ministry, it has become an established fact that approximately 25 per cent. of the teachers who go out in front of our sons and daughters are not properly trained, and if it is an emergency. I suggest he do something about it, that he get people who are properly qualified to teach our boys and girls in these schools.

Mr. Wardrope: The teachers will love the hon. member.

Mr. Whicher: I hope they love me more than the hon. member does, that is all. Now in this withdrawal, the normal withdrawal of school teachers—for, of course, teachers retire when they reach the age of retirement, a certain number of them certainly get married, and we lose some through death—there is a much larger percentage of those who withdraw from rural schools than from urban centres, and, coming from a rural area, I am very interested in this fact, and I think that something should be done to correct this.

In his own booklet which he issued, in table 17, it shows that the rate of withdrawal from the elementary school system in 1956-1957 was greatest in centres under 1,000 population, and next in centres under 2,500. Of these 3,759 teachers in centres from 1,000 to 2,500 population, 623—or 16.6 per cent.—left the system, and of the 1,751 teachers in centres of less than 1,000 population, 374—or 21.45 per cent.—left the school. This is definite evidence of a rapid retreat from the rural and semi-rural areas.

I ask the hon. Minister, why is this so? Why this flight? And I humbly suggest that salaries, of course, are the main reason.

For example, in cities, the average male salary was \$5,237 last year, and in rural areas it was \$3,428, or a difference of \$1,809. Now, surely a teacher who has the same qualifications whether he is in a town, or a city or a rural area, should get approximately the same salary. I suggest to the hon. Minister that the reason they do not get salaries anywhere comparable in rural areas, with those of city or town areas, is the fact that the rural areas simply cannot afford it, and therefore, I hope that under this new grant system—I am very doubtful of it though, because I have been over this table that the hon. Minister has given us—the rural areas will be able to afford salaries in comparison to the city areas. But nevertheless, I am willing to take a chance and certainly give this equalized assessment, drawn up by The Department of Municipal Affairs, a chance to see how it works out.

Now, most of the criticism that has been given regarding the school system in Ontario has been concerning the elementary schools. It is a fact, too, that there are also high school teachers, or secondary school teachers, standing in front of classes, who are really not properly trained. For example, I say that it is quite possible—the hon. Minister says that one may step out of university in England and go right into a school and teach. But in the province of Ontario, for one to take a 10-week course at the Ontario College of Education and go out and teach too.

Now, if this is the proper thing to do, why by all means go ahead and do it, but it seems that a lot of the teachers do not agree that this is the right thing to do, and they think that a complete one-year teaching course at the Ontario college of education should be required. Either one thing is right or the other is right, and I suggest that one be discarded in favour of the other.

In the year 1956-1957, there were 407 teachers who were taking the course, and the following year there was a drop-out of 47 of the teachers. There must be some reason for this and, inasmuch as we need the teachers, I think that the matter should be thoroughly investigated to see if something can be done to see that these people who start out in the teaching profession carry on, and come properly trained before the students and teachers of tomorrow.

Now I would say to the hon. Minister, it is not my intention to take any great time. I might close by simply saying this. I would like to ask what the government's policy concerning university education is, particularly

insofar as its responsibility is concerned in regard to the capital cost of expansion.

It seems that, in every budget, we have supplementary estimates that give \$1 million to this college and \$1 million to another college. But it is equally true that we do not know what the supplementary estimate is going to be for next year, and I would like to know what this government's plans are for capital expansion in universities for next year. I would like to know how much student aid it is going to give? How many bursaries is it going to hand out? And so forth. I would like to know what percentage of maintenance cost it is going to handle insofar as universities are concerned?

In the past number of years, we have come a long way in education in this province. At first, all education in Ontario was by fee. Then we had free elementary education, with secondary education being paid for. Now, we have secondary education free, along with elementary, and I would like to know this, are we not moving toward the position of public-supported university education? Education under The British North America Act is the responsibility of the provinces. What leadership and enterprise is this government offering?

Hon. Mr. Dunlop: Mr. Chairman, at present it would be a mistake, in my opinion, to have university education perfectly free. There would be those who would clutter up the classes just as was the case, before 1931, when we had, in the University of Toronto, so many young people who came there for the social life and nothing else. It was necessary, in order to rectify that situation, to push the first year of those days back into the schools, and that was done by establishing grade 13.

Some hon. member said that there were some 1,800 who were in the teachers' college, they were completing their work. There is no question whatever about their training.

I got into difficulty last year answering a question asked by the hon. member for Huron-Bruce (Mr. Hanna)—no, for Bruce (Mr. Whicher)—about this very thing. He asked: "Have you noticed that people with a B.A. degree, or its equivalent, go into the private schools or the independent schools and teach without any training professionally? That is the case." One of the papers picked it up and quoted me as saying, in answer to that question, that teachers in private schools are not trained, and there was an "awful row." They left out the one word, professionally, and the chairman of the head masters' association was quite indignant the

next day, and I said, "Here, look at *Hansard*. I said that these teachers, a good many of them in the private schools, are not trained professionally. "Oh," he said, "professionally. That settles it, there is no mistake at all." So people can teach without professional training, and can teach well—lots of them.

Mr. MacDonald: Does the hon. Minister think doctors operate without training?

Hon. Mr. Dunlop: That is a different story altogether.

Hon. Mr. Frost: We will have to watch out. Something is going to happen.

An hon. member: Here we go.

Mr. MacDonald: Mr. Chairman, the hon. Minister of Education has been so charmingly provocative that I could not sit in my seat. He accuses me of being too certain about some things. But he is the one, the one hon. Minister, despite all his charm, who is so certain about some things even though everybody else in the profession may be arguing the other way.

For example, when he made this comment with regard to me, I just happened to reach into my folio and pick out two press releases, both dated the same day, September 17, 1957. We had started a new school year. The hon. Minister made his announcement, for the umpteenth time, that the school teacher shortage had ended, and he hoped that the word "shortage" would be sort of banished from our vocabulary.

On that very same day, there appeared a statement by the teachers—and I draw this to the attention of the hon. member for Port Arthur (Mr. Wardrope), who thinks because we make such comments that the teachers are going to be upset.

As a matter of fact, the teachers were upset because, when the hon. Minister made the comment that the teacher shortage had ended, a spokesman for the public school teachers replied that many teachers are just baby sitters. The federation pointed out that the public schools of Ontario are still short some 3,000 qualified teachers despite the claims of the hon. Minister of Education.

So we see that, in the profession, where the hon. Minister is so very dogmatic that the teacher shortage has ended, he cannot persuade the teachers, and they do not mind this point being emphasized.

Take another dogmatic point that the hon. Minister has just made. He said he would not like to see university education made free at the present time, then he went back and

picked some period in 1931 to illustrate his point.

Why can we not make education free, and if our universities are going to be cluttered up beyond their capacity, then raise the entrance standards? Why can we not make it free now?

Here we are faced with a crisis, a crisis which is intensified by the kind of thing that is going on in Russia where 20 per cent. of those who are of school age are getting a higher education. In the United States, 18 per cent. of school-age young people are getting an education. Here in Canada it is 7 per cent. or 8 per cent. Why can we not provide it on a free basis now, and if it is going to clutter up our universities, raise the standards?

An hon. member: How about financing them? The CCF are always "hollering" about that, and now the hon. member wants more spent on education.

Mr. MacDonald: Certainly we must spend more money on education. Mr. Chairman, I just want to make a few general comments on this crisis in education, not repeating what has already been made because we are faced with a genuine crisis. I think if we set it in its historical perspective some of it becomes very understandable.

A hundred years ago, very few people got the opportunity for an education. If they got it, it was because they were the select few and they got it in private schools.

And what has happened, in the last 100 years, is the development of what may be one of the most fateful experiments in human history, the experiment of mass education, of providing education for everybody, that every child from 6 years of age up to at least 16 is going to have the right to get this education.

Now, with this sort of attempt to provide education on a mass basis to everybody, I think it is inevitable that we were going to run into difficulties such as growing pains. Some of these problems form part of the crisis in education that we face at the present time.

For example, why we should kid ourselves for one moment into thinking that our schools are meeting the needs of the rising generation when, as I listened to one of the retired officials of The Department of Education speaking to a service club in my own riding a month or so ago, he pointed out the latest figures for 1956-1957—that of the 100 pupils who entered grade 9, there were only 81 left in grade 10, there were 62 left in

grade 11, there were 50 left in grade 12, and there were only 25 left in grade 13?

His observation was that, on this basis, if we judged our education system for its efficiency as to how much raw material we put in and how much of a finished product we got out, that our school system was about 40 per cent. efficient.

I think he was being a little bit generous, because actually 25 per cent. of those who go into grade 9 come out of grade 13.

This raises a problem which, as the hon. Minister has quite rightly said, he is tackling in a new department, the problem of curriculum.

How can we revise our curriculum to make certain that it meets the needs of the rising generation? Another problem ties in here, and on this question let me assure the hon. Minister that I am not dogmatic.

I refer to the desperately difficult problem of motivation. Why is it that modern children do not appear to be as interested in education as they were back in my day, or back in the day of the hon. Minister when he was going to school? This is something which people who are now interested in this crisis are trying to come to grips with, and one of the encouraging things is that, after years of talking about the crisis, we are now getting some focus of brains and money in trying to find the answers. For example—

An hon. member: The hon. member could not get the answer to anything.

Mr. MacDonald:—here is a careful study that has been prepared by the Atkinson foundation, in conjunction with the Ontario college of education, of the grade 13 students who graduated in 1955 and what happened to them. This is what they say in general terms.

There has been no concerted effort to discover the combination of traits and abilities required for success in various educational courses and occupations.

No concerted effort to find this.

We do not know the number of our young people with prospects of success in satisfying and rewarding careers who settle for something inferior to their own and the national detriment. We do not know what influences induce students to leave school before they reach the limit of their capacity to profit by further education.

We do not know what forces we can or should marshal in order to induce them to develop their potentialities to the full.

So here is an initial study by top-flight people in the field, and their answer is to confess ignorance. Maybe this is the beginning of wisdom, but this is part—maybe it is the very basis—of our crisis, we simply do not know why our educational system is not doing the job that we have established and we had hoped that it might be doing. The drop-outs prove just how conclusively that is the case.

Now, I do not know what my hon. friend across the way is going to say, but I have a suspicion as to what it is going to be, so I have a quotation right ready for him. In the foreword to the study done by the Atkinson foundation, they have on page 1 something that I think perhaps should be pondered well by those who tend to take the easy answer to this and say, "Oh, it is just that the rising generation is a degenerate lot; that it has not got the tough moral fibre of the generation back in our day." There are quite a number of people who advance this argument. However, this is the study's comment on that:

Nor can we lay the blame [this is from the foreword] on the possible degeneracy of the young, for the fault will be ours. We know what must be done. Our young men and women have the necessary abilities which are probably the one resource that may yet save us, but we have not capitalized on these abilities. We have not inspired our youth to develop their capacities to the fullest in the interest of their country as well as in their own personal future. We do not seem to care whether or not we use all the talent of all our youth.

When the hon. Minister, for example, makes the comment that he does not want free education at a time when only 7 per cent. of our education-aged children are getting advanced education, as compared with 18 per cent. in the United States or 20 per cent. in Russia, I say to him quietly and respectfully that he is still guilty of not really wanting to use the full potential of the rising generation—in his actions, if not in his words—unless we take the dollar sign off higher education and make it possible for these young people to get the education that is available to them, and for which many of

them have the ability to absorb. This neglect may cost us dearly. As the study says:

It may also be almost too late to rectify our mistakes of profligate waste of human resources. Only the future can tell what price we and our children must pay for the errors of the past.

An hon. member: Who wrote that report?

Mr. MacDonald: The study supervisors are Dr. Jackson and Dr. Fleming, though I think it was a composite study, with quite a number of people being involved in it.

Hon. Mr. Dunlop: I would like to say a word about that study since we are on it, if the hon. member does not mind. The Department of Education helps to finance it, and of course, these men are on our staff, and we have, I think, 3 representatives on that committee. I would just like to make one little correction if I might be permitted.

The standards in the universities are continually being raised. Now, that is part of the discussion I had with the heads of the universities in January. They all said, "We are going to raise our standards, we are raising them every year and we are going to keep on raising them."

Now, may I make another little suggestion? The hon. member says 18 per cent. in the United States, but they go on grade 12 or less, they go into—

Mr. MacDonald: No matter where they go, they are at least getting advanced education.

Hon. Mr. Dunlop: They go into university on a much lower standard.

Mr. MacDonald: But they are getting advanced education.

Hon. Mr. Dunlop: But if they go in at Grade 12, surely there can be far more of them go, ours cannot go until they finish grade 13, and there is the difference.

Mr. MacDonald: I think the hon. Minister is misinterpreting. The quote on this was taken from the study that was done by the industrial foundation on education.

Hon. Mr. Dunlop: Oh, I quite agree, it is 18 per cent. there and 7 per cent. here, but they get in with much less high school experience there than they do here.

Mr. MacDonald: The point is, whether they enter university from grade 12 or go in from grade 13, is surely of secondary consideration to the fact that at least they are entering.

I am not going to argue that standards in some American universities are lower. But I can recall the day, a year or two or three ago, when some people used to argue that while a lot of people are getting an education in Russia, their standards are low. That argument has gone out the window.

Mr. Grossman: Who said that?

Mr. MacDonald: James S. Duncan, chairman of Hydro, for one.

Mr. Grossman: Is the hon. member suggesting that he would like the educational system in this country operated on the same basis as it is in Russia?

Mr. MacDonald: Oh, let the hon. member go away.

Mr. Grossman: I just asked the hon. member a civil question—I think that is a civil question, and I am entitled to a civil answer.

Mr. MacDonald: The answer is no.

Mr. Grossman: All right then, why does the hon. member point out Russia as a comparison? Do we want to brainwash the whole generation of children?

Mr. MacDonald: The hon. member is a professional anti-Communist.

Mr. Grossman: Well, I am an anti-Communist.

Mr. MacDonald: Professional.

Mr. Grossman: Well, I do not get paid for it, if that is what the hon. member means.

Mr. MacDonald: No.

Mr. Grossman: Well, what does the hon. member mean by a professional? Of course, I am an anti-Communist. I do not think the hon. member is doing the western nations a service by giving Russia an opportunity to say: "Even the western people say our educational standards are much higher." The hon. member is just helping them with their propaganda. That is all he is doing.

Mr. MacDonald: Now that we have had this outburst from St. Andrew—I do not know why St. Andrew has to bear this cross—maybe this is the appropriate place to read what I think is a significant comment on education in Russia, and I do not think we can pin the writer of this as being a Communist, for it happens to be Dorothy Thompson. Last November, the *Toronto Globe and Mail*

carried an article of Dorothy Thompson's, November 18—

Mr. Grossman: Does the hon. member consider Dorothy Thompson an expert? Would he like to say so? Does the hon. member have a high regard for the opinion of Dorothy Thompson?

Mr. MacDonald: I will say this: I have a higher regard for her opinion than that of the hon. member.

Mr. Maloney: Good old Dorothy.

Mr. Grossman: The constituents of the hon. member for York South will be glad to hear his opinion about Dorothy Thompson.

Mr. MacDonald: Too much fluoridated water, that is the trouble with the hon. member.

Mr. Grossman: Well, that is a highly educated answer, too.

Mr. MacDonald: In the opinion, Mr. Chairman—I want to read this, now that we are into it—if the hon. member wants to have a long discussion about this, all right. I was just about finished—

Mr. Grossman: My opinions are my own, I am not quoting everyone else on earth.

Mr. Maloney: Good old Dorothy.

Mr. MacDonald: Dorothy Thompson says:

In the opinion of this columnist, the worst thing that has happened to the United States in the contest for world leadership is when the Soviets shortly after the revolution abandoned progressive education originally imported from America and reinstated a system very like that which had been largely limited—

Let hon. members listen to this, particularly those on the Conservative side of the House:

—very like that which had been limited to the aristocracy and the upper classes and which with some very new gimmicks the Soviets have now made universal. This system has now and for the first time been extensively reported by the United States office of education.

This education which, beginning at the age of 7, continues for 10 years without a break between primary and high school, is enormously demanding. It assumes that school is a place for work not play and initially concentrates on deportment. Soviet school children are startlingly well mannered in and out of school.

Before they enter school, they and their parents are presented in writing with a code of conduct to which they are expected scrupulously to conform.

Those familiar with the codes imposed upon the children of the British and continental nobility when they were still the undisputed and uncorrupted governors of the states and societies will find them familiar. Their children were always given a sterner upbringing than those of the commoners on the theory that noblesse oblige. They were educated also to serve the state and society instead of their own interest.

What is unique in Soviet education is the application of such codes and training to mass education. Soviet education concentrates on creating an atmosphere conducive to intensive concentration, and studies requiring major intellectual discipline under behaviour, discipline enforced to teachers and students themselves by social approval or disapproval—

Mr. Maloney: Concentration camps.

Mr. MacDonald: May I continue:

The worst thing that can happen to the school child is to be suspended or expelled, and that can happen for either failure to keep up with his studies or for repeated breaches of deportment in which there is no passing mark below excellent.

The Russian system assumes that children are normally intelligent, and that intelligence can be improved by vigorous training. If a child shows himself to be mentally deficient, he is quickly passed into special schools to be trained in skills not requiring a high degree of mental capacity. If he is abnormally gifted, he is passed into even more demanding schools.

The curriculum is not selected. Students attend classes 6 days a week and everyone graduating from the 10-year course will have had years of study in mathematics, the physical and natural sciences, the Russian language, Russian and world history and one foreign language, and have passed nationally conducted examinations, oral and written.

Mr. Maloney: No 40-hour week there, eh?

Mr. MacDonald: Miss Thompson says further:

Those who graduate, invariably go on to further professional, semi-professional and technicological studies. This type of

education made Prussia the leader of Germany and Germany a challenge to the world. It created the leaders of the British Empire in its hey-day—

Mr. W. J. Stewart (Parkdale): Does the hon. member advocate that over here?

Mr. MacDonald: I thank the hon. member for his question, because I repeat and affirm the final paragraph of what Dorothy Thompson said:

Mr. Maloney: Good old Dorothy.

Mr. MacDonald: Mr. Chairman, cannot we put a muzzle on this?

No one and certainly not this columnist suggests copying them, but we can certainly take a new look at our own education [and I think this is correct] and question whether its own aims and claims are being realized, one of them—reiterated in the office of education report—being the fullest development of the individual.

Now, how can they have the claim that our educational system is providing the fullest development of the individual, when only one-quarter of them remain at the end of the educational system and the other three-quarters have dropped out of it?

Mr. W. J. Stewart: Does the hon. member think theirs is better than ours?

Mr. MacDonald: No, but if the hon. member for Parkdale wants to speak afterwards, he can get up and speak. Just let me conclude this. I think, Mr. Chairman, that we should face this challenge—

Mr. Wardrope: We are too well mannered in this House.

Mr. MacDonald: Big Chief Bald Eagle.

Mr. Wardrope: Mr. Chairman, let me say this, the member for South York is very discourteous, and we should get on with the work instead of sitting here until 11 o'clock listening to a lot of tripe. He might get his answers from some of the New Canadians in the House after the House arises. They will tell him the truth.

Mr. MacDonald: Mr. Chairman, I am about to conclude but I just want to draw attention to what the industrial foundation on education has pointed out—the nature of the challenge that lies in the years just ahead of us.

There will be over 3 million of our young people reaching the age of university entrance,

year by year, over the next 10 years. Using the general accepted figure that 33 per cent. of these are capable of absorbing a higher education, this means that 1 million intellectually qualified young Canadians could, all other things being equal, enter our higher educational system.

But at our proposed rate of providing facilities to absorb these, there will be only 300,000 instead of 1 million.

In other words, what we are doing, at our present rate, is to provide facilities for one-third of those capable of absorbing it.

Now, if the hon. Minister thinks that we can relax for one moment in the belief that we have solved this crisis in education, he is wrong. We have not solved the kind of challenge that faces us, both because of development without our own society and because of the threat from Soviet Russia.

I think these figures and these statements coming out from the industrial foundation for education are something that he should read once again.

An hon. member: We do not have to listen to that stuff.

Mr. Chairman: Order.

Mr. A. R. Herbert (Temiskaming): Mr. Chairman, I would like to take this moment to compliment the hon. Minister for his personal interest in our educational problems. He has a very capable staff.

To give some idea of the vastness of his task, I would say that in my district alone we have over 80 school boards. Some 21 new schools have been built since 1951, and each has its own particular problems. The hon. Minister has been very concerned with every phase and he deserves the highest praise for his efforts.

Mr. R. Gisborn (Wentworth East): I would like to say that I am very pleased to hear the hon. Minister say that they are giving consideration to a second school for the deaf and hard of hearing. I am sure that the associations for the deaf and hard of hearing in the Hamilton area will be very pleased, because they had felt that a deaf ear was being turned to some of their requests.

Now, I did intend to spend quite a lot of time tonight in furthering their argument for this type of a school, but now it will not be necessary.

But I might add that we will be pleased when it comes, even if it comes just two days before the next provincial election.

But there are two things that I would like to get cleared up. I think it important that the school should be in the Hamilton area. I think that if we are going to do a proper job with this type of school it should be close to a heavy industrialized area, so that the department can prevail on the skills in industry for instructors, and so that we can bring the people out of the schools with an occupational training which will enable them to find a job.

I wonder if the hon. Minister would just clarify a couple of things. Is it definite that we are going to have a school in southwestern Ontario in the near future, can we say in a few months or a year or—

Hon. Mr. Dunlop: It is a site of 97 acres, partly in the town of Milton and partly in the township of Trafalgar, which is surely in the Hamilton area, surely is it not 25 miles away—

Mr. Gisborn: I understood the hon. Minister to say that it would either be in Hamilton or Toronto, maybe I was mistaken.

Hon. Mr. Dunlop: I think it is closer to Hamilton than it is to Toronto.

Mr. Gisborn: Well then, as regard to location, I would ask for full consideration to bringing it closer to Hamilton, or right in Hamilton, where they can get instructors from industry.

Hon. Mr. Dunlop: We cannot have it in a city.

Mr. Gisborn: No, they cannot have it in a city, but there is lots of room around the city. How about the time limit? Are we going to get some consideration in the near future—a year, or a year and a half, or two years?

Hon. Mr. Dunlop: It will be under way very soon, I cannot say how many months, but it will not be long.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Chairman, I want to speak for just 2 or 3 minutes while I talk to the hon. Minister about the summer courses, these emergency courses. I am quite serious about this whole matter, as I think perhaps the hon. Minister will agree. Now, he said he started these courses in 1952—

Hon. Mr. Dunlop: Commenced in 1952, secondary in 1955.

Mr. Oliver: Now tonight he tells us that he sees an end to the courses by 1962. That

of course is about the longest emergency that we have had in this province. We have had one since 1942.

I want to point out to the hon. Minister that he let something drop tonight, when he was speaking, that I thought was sort of a clue, that he had been in favour of, and leaned towards, summer courses, even before he was hon. Minister of Education.

I am just afraid that the thinking of my hon. friend is so partial to summer courses that he continues to be influenced into believing that these courses should be made permanent.

Hon. Mr. Frost: Well, what is wrong with a summer course?

Mr. Oliver: Well, it seems the hon. Prime Minister does not think that it is an emergency measure.

Hon. Mr. Frost: What is wrong with a summer course?

Mr. Oliver: Well, the hon. Minister of Education had already classed it, and I think properly, as an emergency course.

Hon. Mr. Frost: Well, all right then, what is wrong with it?

Mr. Oliver: Then let us just leave it at that for the moment. There must be something wrong with it, if it is an emergency course. I think the hon. Prime Minister can agree with that. I want to remind the hon. Prime Minister that, if he wants to do any talking, he has to do it from his own seat, he cannot do it from one beside the hon. Minister of Education. I want to ask the hon. Minister of Education just what steps the government has taken, are taking, and intend to take, to solve what he and I agree—the hon. Prime Minister does not—is a crisis in teacher training—what has the government done, what is it doing, and what does it intend to do? Could their efforts be speeded up to end this crisis before 1962?

Hon. Mr. Dunlop: Surely, this crisis was built up from the year 1930 or 1935—somewhere there—when there were—

Mr. Nixon: There was no crisis when we were in office.

Hon. Mr. Dunlop: Children born in 1940 are now 18, are they not, this year? We have to go on with that group to teach those who were born in 1946, when the birth rate went away up, and we have now

only a few from—let us say—1940 or thereabouts, only a few to teach a great many born in 1946.

Now may I say, I said somewhat facetiously that I am addicted to summer courses. I do like summer courses, because they come at a time when they do not interfere with the schools in any way, and they perform just the function we want. No one, so far, has ever suggested any other way to do this than the way we are doing it. I wish somebody would be kind enough, if there is any other idea, to let me know what it is.

Mr. Oliver: Well, if nobody has done anything about it, and if in the hon. Minister's opinion nobody can do anything about it, then how does he suggest tonight that it is going to end in 1962, what does he mean by that?

Hon. Mr. Dunlop: Those who were born in 1940 once more, may I say, are 18, in 4 years from now they will be 22 and there will be a good many more who will be in the 18 age group. We are going to overcome it that way, because the birth rate was so great in 1946, and as they come along, we will conquer it in another 4 years.

Mr. Oliver: It is elementary.

Mr. G. Innes (Oxford): Surely the hon. Minister does not think that he is going to eliminate it if he keeps saying that we have lots of teachers. When there are children 16 and 17 years of age who want to become teachers, and the hon. Minister says there are lots of teachers in the province, it is no incentive for them to take up the teaching profession.

Mr. Maloney: What way does the hon. member want it, both ways or the other way?

Mr. W. G. Noden (Rainy River): Mr. Chairman, first I think I should inject a thought here from northwestern Ontario, 1,100 miles away.

I want to commend the hon. Minister of Education for his summer course, for this reason. If I remember rightly, the announcement was made from the town of Atikokan when this was inaugurated in 1952 or thereabouts, and one purpose that it is serving is this. At that time, and up to that time, we people would depend upon teachers coming from old Ontario for this reason, that it was not within the means of a great majority of our people to send their children to southern Ontario to take the teachers' training course in our teachers' college.

By setting up a course at the Lakehead, it meant that our people were able to send their children to the Lakehead, which is a short distance away, so that we would in time become self-sufficient as far as teachers were concerned.

That condition has taken place today. I know of several of our students who are now teaching in old Ontario, and a great number of our own teachers through this summer course have been able to satisfy the demand in our own area. Therefore, I think this is a wonderful project.

Mr. J. Spence (Kent East): Mr. Chairman, I would like to submit my thanks to the hon. Minister of Education for those kind remarks about my remarks the other day in the House. All of the figures that I brought before the assembly the other day concerned 1955-1956, showing the great difference between the city teacher and the rural teacher. Since that time I have secured the figures of 1956-1957, and I find very little difference.

Now, I believe by the hon. Minister's remarks this evening, if I understood him correctly, that this situation has been corrected. I wonder if that is through these new grants or what? Or did I misunderstand the hon. Minister?

Hon. Mr. Dunlop: I am very glad to have the hon. member's comment, but the grants have greatly assisted in remedying the situation that he described the other evening.

Mr. Grossman: Mr. Chairman, I am not anxious to prolong the proceedings here tonight any more than any one else, but if the hon. member for York South had been in the House on March 3, he would have heard me quote some remarks of a former deputy minister of the Czechoslovakian Parliament as to what was going on in the educational system under a Communist regime there.

I think that the hon. member is going to find himself sorry for having quoted from the source from which he did—Dorothy Thompson.

Mr. MacDonald: I can quote James S. Duncan.

Mr. Grossman: That will not do him any harm, but the fact that he quoted Dorothy Thompson will. However, at that time, Mr. Chairman, I stated that it was my opinion that we should not go totalitarian to beat the totalitarians—

Mr. MacDonald: Nobody was suggesting that.

Mr. Grossman: —but there were probably some things, perhaps many things, that we could do to encourage some students who have an aptitude for it, to go along and do a better job, and encourage them to become greater scientists and technicians and so on. But we should not go overboard in this sort of thing.

More important than anything, I do not think anyone here—let me repeat—should carry on the propaganda of the Communists in trying to prove to the world that the democracies are decadent, that we have no respect for intellectuals, and that we have no respect for teachers and that sort of thing, because that is all that sort of conversation is going to do.

Mr. MacDonald: Nonsense.

Mr. Grossman: Well, that is the hon. member's opinion.

I am going to quote from a local Czechoslovakian paper in which a former deputy member of the Czechoslovakian Parliament had this to say of the educational system in Czechoslovakia under the Communist regime:

1. In all schools, priority must be given to party influences, political and ideological teachings.
2. All schools must support the so-called socialists, that is Communist reconstruction of the state.
3. All education curricula and extra-curricula must be performed in accordance with the Soviet pattern.
4. Priority in many cases, exclusively in registration, are given to children with proletarian background, mainly to children of party members.

Among others, the principles of the Communist educational system are—the uncritical admiration of the Soviet Union inciting hatred toward the western world, or at least its ridicule, the elimination of the prewar democratic tradition in the educational system, elevation of the importance of the working class, and of a technical education at the expense of humanities, inciting hatred towards religion and families.

That is some comment contrary to what the hon. member quoted—that they are taught to respect their families.

Mr. MacDonald: He could not even hear what I was saying.

Mr. Grossman: Well, I paid more attention than the hon. member is apparently paying to me.

Mr. MacDonald: I am paying very much attention to him. He is misquoting.

Mr. Grossman: “Against traditional patriotism and national pride which the Communists supplement by working class internationalism,” and so on.

Now, Mr. Chairman, the reason I repeated that here is, I had put it on the record a week or so ago, as I shall on any occasion when I have the opportunity, when anyone repeats—particularly putting it on the record of this Legislature—this propaganda, that only the Communists respect intellectualism, only the Communists respect their teachers, classes and so on. I will do what I can to put, on the same record, the contrary point of view.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Chairman, before we move on to the vote, may I ask the hon. Minister whether or not there are more qualified teachers dropping out of the system than there are going into the system each year? To be specific, I am concerned, of course, only with those persons who are qualified in the normal way.

Hon. Mr. Dunlop: I do not have that information at the moment. The general situation is that the school enrolment is increasing about 70,000 a year, and the number of teachers is increasing about 2,000 a year, at the ratio of 1 to 35.

Mr. Wintermeyer: But when he says the number is increasing, is he talking about the total number of teachers that teach for the first time, or the total number of qualified teachers?

Hon. Mr. Dunlop: Oh yes, they are good teachers.

Mr. Wintermeyer: No, there is a standard by which the qualification of a teacher is measured and the department determines that a certain teacher is a qualified teacher. Another type of teacher is one who is teaching with certain permissions.

Hon. Mr. Dunlop: Well, temporarily qualified.

Mr. Wintermeyer: All right, temporarily qualified. I am concerned only with the thoroughly qualified teachers.

Hon. Mr. Dunlop: I do not have that figure, but I can get it for the hon. member.

Mr. Wintermeyer: My understanding is that more fully qualified teachers are leaving the system by virtue of retirement and marriage and the like than are entering the system. If I am right in that, then how in the world can the hon. Minister rise before this House and say that he is overcoming the emergency? I will tell him one way that he can cure it.

Mr. Wardrope: The hon. member is not right.

Mr. Wintermeyer: Now listen, the hon. member for Port Arthur can come along with his "wisecracks" all he wants, but this is the most serious business—

Mr. Wardrope: It was not a wisecrack, I tell the hon. member he is wrong. There are not more qualified teachers—

Mr. Wintermeyer: The hon. Minister said he—

Mr. Wardrope: He will give the figure, and the hon. member will find out.

Mr. Wintermeyer: Well how does the hon. member for Port Arthur know?

Mr. Wardrope: The hon. member for Waterloo North surmises.

Mr. Wintermeyer: I surmise nothing. I made the investigation, and that is the conclusion I came to.

Now I am going to ask the hon. Minister for his figures, but until he gives them to us, I suggest to the hon. Minister that the obvious thing he should and could do, is to provide scholarships and inducements for young people to get into the teaching profession, because the same report that the hon. member for York South read from, and that the hon. Minister is wholly familiar with, suggests that one of the basic reasons why more people are not going on to college and university is because of financial handicap.

Now I suggest that it would be worth more than building all the roads in Ontario next year, if the hon. Minister would pay for the full cost of tuition and board and lodgings for those students who are willing to go into the regular courses and complete them, and continue in our educational system for a specific period of time.

Now the hon. Minister has asked for a practical suggestion to overcome in part, this emergency if you will, and I ask him what is wrong with that particular suggestion.

Hon. Mr. Frost: Mr. Chairman, might I say that I have listened to the hon. members opposite. I have listened to what they say

and I am one who, in the course of things, gets around this province a very great deal, and I am in a great many places.

Mr. Dunlop: I might say this. We have in this province about 40,000 class rooms.

Hon. Mr. Frost: Will my hon. friends opposite tell me how many of those 40,000 class rooms are without a pretty good teacher today?

Mr. Wintermeyer: Not many.

Hon. Mr. Frost: Not many, of course there are not many.

Mr. Wintermeyer: That is not the problem.

Hon. Mr. Frost: I have never listened to such nonsense in my life as hon. members opposite can engage in. I often wonder how they put in their time thinking up these things?

Mr. Wintermeyer: The public school teachers' federation says 3,000. Does the hon. Prime Minister want an answer?

Hon. Mr. Frost: No. Just a minute now. Listen, there are 40,000 class rooms, and I often marvel at this. I go over this great province of ours and I see the magnificent schools which we are erecting and remember this, that every 365 days, we have to provide for school accommodation for 70,000 new pupils. I ask my hon. friend for Waterloo North to go back and look at his very beautiful city, and take the number of school children there are in that city. Now I do not know how many there are in Kitchener, perhaps 4,000 or 5,000—or would there be that many?

Well, all right then. Suppose there are 7,000. Well, I say to my hon. friend that, every 365 days in Ontario, we have to provide 10 times as many schools as the hon. member has in his great city of Kitchener altogether, and we have to get new teachers to look after those people every 365 days. May I say to my hon. friend that it is being done. I say that one of the finest and most remarkable efforts in this province is what we are doing in education, and what we are doing in providing equality of opportunity to the children in this province.

We have about 40,000 teachers in this province at the present time. Every year, we are getting 70,000 new pupils, and that is going to continue for several years according to our forecasts. With those 70,000 pupils, we are gaining each year about 2,000 teachers. Now am I not right about that?

Some 365 days from tonight, we will have engaged 2,000 more teachers.

I would say to my hon. friends in the Opposition that they ought to go out and stick out their chests at what this great old province is doing to train its children. I tell them that there is no jurisdiction in America, nowhere in any state or province, doing the job that their great old province of Ontario is doing in this regard. Let hon. members opposite go out and hold their heads up and look at our achievements, and let them be happy and be proud at what their province is doing to provide for equality of opportunity in this great land of ours.

Now I want to say something about teacher training.

Mr. Whicher: Let the hon. Prime Minister put wings on. He is an angel.

Hon. Mr. Frost: Well I have been trying to tell people that for a long time. The hon. member might as well get used to it. I have never been able to attain that eminence, though.

Mr. Whicher: He is halfway there already.

Hon. Mr. Frost: May I say this to the hon. member, because I am not talking about myself.

An hon. member: Yes, he is.

Hon. Mr. Frost: I am talking about the province that the hon. member belongs to, that he ought to be proud of.

Now in connection with training, I say this to the hon. Minister of Education, that I hope he does not end his summer courses in 1960 or 1962. I am all in favour of them. I think it is a great thing to use the buildings of this province, into which we are putting millions and tens of millions of dollars every year, to use them in the summer time.

Now is that not one of the things we should do?

I would say that if the hon. Minister can have teacher training in the summer time, for goodness sakes he should have it then. It helps us in the millions of dollars we are spending, and that we are going to have to spend. This is common sense.

I was, as I say, after 43 years, in North House tonight with some fine young Canadians who are there in the residence that I used to be in. They were asking me about a variety of things.

As a matter of fact, they did not ask me as much as I asked them. I was interested very much in their point of view.

I was talking to one fine young fellow from the north whose father is a secondary school teacher, and the young fellow told me that he is interested in the teaching profession but he said this to me: "You know, in England and other countries, once they go through university, they can teach. That is a disability—that we have to spend so much time in further qualifying ourselves." Now that is true, I think, in England and in some other countries, where they do a very excellent job.

Now I put this forward. I know that this is controversial, but I would say that it might have some merit, and that is that, in the various university courses, particularly honour courses, there should be a subject option in which the student could take a teacher's subject, say for half an hour or for an hour a week, which would mean that by the time he reached the degree stage or the graduation stage, he or she would have qualified. Now I know that that has been put forward.

As I understand from some university authorities, it is controversial, but I say that there is nothing wrong with qualifying and stimulating the qualification of teachers, as is being done. I look forward, in this province, to a growing population. I think we are going to have an addition of 70,000 children or better every year, and I hope that it runs far into the future.

I say this because it is good for business in the country; it is good for the things that make the wheels go round in this land of ours, from an economic standpoint. I think it is a great thing.

Now I would say to the hon. members that if, instead of making it difficult for these highly brilliant and qualified young fellows and girls from the universities to get in the teaching profession, we should provide ways and means to make it easy for them to get into it.

I think that is the answer, and I would say that I think that to date a very great job has been done, and the more I look at the job of The Department of Education, the more I think that they deserve the greatest of commendation for the excellence of their work.

Mr. MacDonald: Mr. Chairman, a question was asked of the hon. Minister a moment ago and—if we can rescue ourselves from this sweetness and light and get back to the facts of life—it would be interesting to look at the statistical table.

The question was asked: "How many teachers are leaving the profession?" The hon. Minister said he did not know. He said there were about 2,000 being graduated and that, at a ratio of 35 to 1, they would only meet the new pupil population.

Now the question asked is how many are leaving the profession apart from this?

On page 518 of the hon. Minister's annual report, the information is given.

Counting only those who move into non-teaching occupations, who marry, retire, are superannuated, or who left Ontario or the profession for other reasons, believe it or not, Mr. Chairman, last year, there were 2,913 elementary teachers and 571 secondary teachers, for a total of 3,400 who left the profession at a time when only 2,000 new graduates were coming into the profession and we had 70,000 more new pupils to teach.

Hon. Mr. Frost: The hon. member, of course, takes books and he can distort the figures—

Mr. MacDonald: I am not distorting the facts. They are right there.

Hon. Mr. Frost: Why, of course, we have people leaving. There are teachers who are retiring, and teachers who are getting married and so on. But, on the other hand, they are qualified teachers. Many of the married teachers come back in again. As a matter of fact, our teaching force is increasing by around about 2,000 a year.

Mr. MacDonald: And 3,400 are leaving.

Hon. Mr. Frost: I mean over and above. I mean we have 40,000 teachers now and this time next year, we will probably have about 42,000 teachers.

Mr. MacDonald: Oh no, 3,400 will have left in the year.

Hon. Mr. Frost: Nonsense, that is pure nonsense.

Hon. Mr. Cecile: The hon. member is ashamed of his province and he should not live here. He should move away from here.

Mr. Wardrope: He should listen and learn something.

Hon. Mr. Dunlop: There are over 3,600 in the teachers' colleges right now—

Mr. MacDonald: What of the 2,000 he himself gave a few moments ago?

Hon. Mr. Dunlop: —and there are 700 in the Ontario college of education.

Mr. MacDonald: He means there are 2,000 fully qualified and 1,500 or 1,600 part time.

Mr. Dunlop: Oh, no. Therefore, in addition to the drop-outs, we are producing, by summer courses and otherwise, some 2,000 surplus. Not surplus exactly, but 2,000 more, net, that is it.

Hon. Mr. Frost: All right, now we have straightened that up.

Mr. Maloney: Mr. Chairman, I was wondering if the hon. member for York South realizes that one day Ontario loaned a young man to the province of Saskatchewan who taught on the permit system. One day his inspector came along and found out that he was not teaching school. He was out inspecting gophers and hunting them. Today he is the Rt. hon. Prime Minister of Canada, as the result of the election on June 10, and he will be returned on March 31.

Mr. MacDonald: What does that prove?

Mr. Whicher: Mr. Chairman, I have one more question I would like to ask. I have listened to the hon. Prime Minister try to smooth everything out here tonight and I would like to ask him this question, because he has evidently come to the rescue of the hon. Minister of Education.

Hon. Mr. Frost: I do not have to come to the rescue.

Mr. Whicher: He did anyway. My question is simply this, and these are the figures in the book. In the past 7 years, 10 per cent. to 11 per cent. of those entering high schools completed grade 13, and passed the departmental examinations for honour diplomas. Only 7 per cent. of those entering high schools in grade 9 went on to university training. My question to the hon. Prime Minister is this: He can wave his wings around all he wants to. Is he proud of that 7 per cent? Is that a good percentage?

Mr. MacDonald: One of the lowest in the western world.

Hon. Mr. Frost: Certainly I am. Yes, I think it is wonderful.

Mr. Whicher: Seven students out of every 100 who enter high school? One of the lowest in the whole western world, and he rises here tonight and tells us—the hon. Prime Minister of this province—that he is proud of the fact that we have the lowest percentage of any

country, in the western world, going to university.

Hon. Mr. Dunbar: Why does not that hon. member leave Ontario?

Mr. MacDonald: This government is smug and self-satisfied.

Hon. Mr. Frost: Now, Mr. Chairman, might I just say this to the hon. members opposite. They know we have a remarkable phenomenon in this province. Really it is remarkable. It is an amazing thing. The hon. member for York South and the hon. member for Bruce have satisfied themselves and persuaded themselves of this, that each year, we are losing more teachers than we are getting, and that if we keep on at the rate that they name over there, in the course of the next 25 years we will have no teachers at all. But the amazing thing is this, our school rooms are increasing to the extent of taking care of 70,000 more pupils a year, yet we have hardly a school room in the province of Ontario that is vacant.

Now, I would ask my hon. friends to go and reconcile that with their argument. If they would do that, I would be very glad to adjourn the debate on this, and allow them to go and reconcile this, and get out their figures and their pencils and work that one out.

My hon. friend, in his second question, mentions our universities. May I point out that, when this government came into office after 150 years of the history of this province, we had only 3 universities. We have been in office now for the last 15 years, and now we have 7 and possibly 8 universities. We have increased them by 5. In other words, in the years we have been in office, we have multiplied the universities by nearly 3. I ask my hon. friend from Waterloo North, is that not a wonderful record? He will agree.

May I say to my hon. friends that when they compare different countries, of course, they are comparing different grades. It is just like comparing the cities of Ontario with the cities of the United States. Every place over in the United States is a city. I suppose when hon. members go over there, they find that pretty nearly everybody whom they run across is, in some capacity or other, a university student. They are comparing two different things. Our universities here are very highly qualified institutions, and I would say to the hon. Minister of Education that I do not think that any student is being turned away from our universities because of lack of capacity, although there may be high entrance requirements in certain courses, but

there are other courses into which they can fit.

Mr. MacDonald: President Smith said precisely the opposite 2 years ago.

Hon. Mr. Frost: Now, I would say to my hon. friends that we are doing a very remarkable job.

Mr. MacDonald: He said—

Mr. G. W. Parry (Kent West): Mr. Chairman, why do you not keep the hon. member down? He is rude.

Mr. MacDonald: The hon. member for Kent West is the rudest man in the House.

Mr. Wintermeyer: The hon. Prime Minister will recall that a year ago, January 28, 1957, on the occasion of the speech from the Throne, one of the significant points that those architects of that particular speech highlighted was the crisis in education.

Hon. Mr. Frost: Would my hon. friend read the paragraph?

Mr. Wintermeyer: We are coming to that, and in particular the teacher shortage. What I would like to—

Interjection by an hon. member.

Mr. MacDonald: The hon. member says we are being rude if we interrupt.

Mr. Wintermeyer: —the second point I would like to make is this—is the hon. Prime Minister familiar with the proceedings that took place in Ottawa on the occasion that the hon. Minister of Education attended a week or 10 days ago? Now I think on that occasion, Canon Carter said exactly what the hon. members of the Opposition are saying now, maybe in more eloquent fashion.

Hon. Mr. Frost: Was he talking about Ontario or Canada?

Mr. Wintermeyer: He was talking about Canada at large.

Hon. Mr. Frost: He should come down and see us here. We will show him something.

Mr. Wintermeyer: It is all right to white-wash these things, but the fact of the matter is that there is a real problem here at hand. The government recognized it a year ago. Canon Carter said exactly what I think the hon. Prime Minister was referring to a year ago, and that is simply this, that the tendency to permit teachers to continue or to carry on in a manner—that is, in an unqualified manner—is not a desirable thing.

Now, the man is far superior in his knowledge to myself. I accept him as an expert in the field. He is critical of this, and I suggest that this very government was critical of the shortage a year ago.

Now, it is all right for any two people to disagree with the Opposition in a forceful manner, but the fact of the matter is that there is a real crisis here. The hon. Prime Minister recognized it in a cool and collected fashion a year ago. The experts recognize it now. Now what in the world is the hon. Prime Minister going to do about it?

Hon. Mr. Frost: Let the hon. member look at what we are doing, look at us.

Mr. Wintermeyer: All right, they are putting people in, but the fact of the matter is that either their regular course is not a desirable thing, or it is a desirable thing. If it is a desirable thing, then they should be encouraging more and more students—not only numerically but percentagewise—to attend that school.

I suggest that this is where the weakness really lies. We are not going to say: "You have not done anything." It would be foolish for us to do so. We are not going to say that there is not a difficulty here. Obviously there is a difficulty here, as there is in other provinces and in other states of the union. We recognize that, but what we would like to see of this government is some imagination in overcoming the problem.

Now, what the hon. Prime Minister is doing is this—

Mr. Maloney: There is so much imagination in the Opposition that it is really astonishing.

Mr. Wintermeyer: Well now, I ask what is wrong with the suggestion I made just a few moments ago—that is, paying for the tuition, board and lodging of those students who are prepared to take a regular course on condition that they will stay in our system for a specific period of time?

Hon. Mr. Cecile: Who paid for the hon. member's?

Mr. MacDonald: So what?

Hon. Mr. Cecile: Whether they need it or not?

Mr. Wintermeyer: I would not say whether they need it or not, but surely the hon. Prime Minister will admit that it is a desirable thing to have more complete the regular course—

Hon. Mr. Dunlop: They want everybody to depend on the government—

Mr. Wintermeyer:—and if in some fashion we can encourage more to complete that course, then I think that we have accomplished something.

Hon. Mr. Dunlop: We have been giving bursaries for years.

Mr. Wintermeyer: Let us talk about the bursaries. Now, this is the phenomenal situation that we have—

Hon. Mr. Frost: I must admit that my hon. friends opposite, not only my hon. friend for Waterloo North, mystify me. The matter is this, now these are the cold facts, we are training enough teachers each year to take care of, progressively, the increase of our school population which is tremendous.

We are increasing by 70,000 a year, and I say to my hon. friend this, a year ago now, they talked about teachers. Today we have 70,000 more pupils in the schools, and every schoolroom in this province is manned, as far as I know, unless the teacher is taken down with mumps or measles or something like that.

Mr. MacDonald: The provincial federation says there are 3,000 unqualified—

Hon. Mr. Frost: That is not so. What does my hon. friend want? Is he complaining because teachers are being qualified by means of summer courses and the like? Is he complaining because they are not all taking a year, for instance, in teachers' college? Is that what he is complaining about?

Mr. Wintermeyer: Well, basically, yes.

Hon. Mr. Frost: Well now, I would wonder if my hon. friend on that point is—

Mr. Wintermeyer: Now, let not the hon. Prime Minister put me in a ridiculous position; now, I am not that foolish.

Hon. Mr. Frost: Well, I know but that is the position that he put himself into.

Mr. Wintermeyer: Now, just a moment—

Hon. Mr. Frost: Here he is today, a year after he complained—he made these same speeches; I listened to them last year, there is very little difference in them—and here we are one year later with 70,000 more pupils, and all of our schools manned, and we have going through the mill at the present time enough to take care of next year, and we will have enough to take care of the following year.

Mr. Wintermeyer: Is the hon. Prime Minister satisfied with the system as it is today?

Hon. Mr. Frost: Well, I would say this. My hon. friends talk about a crisis in education—

An hon. member: Well, he talked about it last year—

Mr. MacDonald: It is getting closer to an election.

Hon. Mr. Frost: May I say to my hon. friends that, of course, there is talk of a crisis in education in Canada. That was the subject Canon Carter commented on. There is talk of a crisis in education in the United States, as is evident by the President's giving \$1 billion for education. Therefore it is there, Mr. Chairman.

Here is our problem. We are the fastest growing jurisdiction in North America. Right now our population is increasing by 4 per cent. per year, which is twice as much as the American growth, which is embarrassing them. Mr. Chairman, what we are doing in Ontario is this, we are building enough new schools to take care of those children, and we are providing enough teachers to take care of the teaching of those children.

Now, certainly we have the crisis and the problem of growth, of course we have, but I would say to my hon. friend that we are doing the job, and I think that we are doing it in a very creditable way. I think that we can be very well pleased.

That we have attained perfection in this great growth problem, nobody would say. Of course, we have not. We are never satisfied that we have attained perfection, despite the enormous developments that are taking place in this province. Under our direction there are always things that we can do to better. I have no doubt that there are things in the matter of teacher training that can be improved on, but I think that we have a wonderful record of achievement to show.

I say these things tonight because I have listened to the Opposition play this record, I think, about a half-a-dozen different times. I have listened to the hon. members of the Opposition get onto this subject over the radio and in this House. I have heard them deliberately deliver these almost identical speeches, as a matter of fact the figures are almost the same.

I think that they dug up some of the speeches they delivered two years ago, and re-delivered them on this occasion. I am just bringing them down to facts. Let them go and look up *Hansard*, and see what they

said on this subject two years ago and three years ago.

They were talking about the disaster and darkness and all the rest of it. Now, let them see what is achieved in the years 1957-1958. Now, that is all they have to do to answer their case. That is all.

Vote 401 agreed to.

On vote 402:

Mr. S. L. Hall (Halton): Mr. Chairman, I do not intend to take up the time of this House, but I would like to have this opportunity, just for a minute or two, to compliment the hon. Minister of Education on seeing fit to locate the new school for the deaf in the county of Halton. And there is one thing that I would like to say to the hon. members of this assembly and visitors, that those children, when they come to Halton county, will have the opportunity to live in an atmosphere more conducive to their health and well being than one could believe by what has spread out from a little group here in this assembly tonight—a group which is so small that it is barely placed here by the voters of the province of Ontario.

Mr. Maloney: Mr. Chairman, in accordance with the compliment that has been paid by the hon. member who has just spoken, I would like to say that in Renfrew South we have a school known as the C. F. Cannon school, located in the township of Radcliffe at Combermere, and I do not know of any greater benefactor of education in the province of Ontario than we have in the person of the director of education, Dr. Cecil F. Cannon, and to him I would like to pay tribute.

Votes 402 to 409, inclusive, agreed to.

On vote 410:

Mr. Oliver: Could the hon. Minister say what he means here by federal-provincial agreements, what are they?

Hon. Mr. Dunlop: Vote 410 makes provision for the cost of projects set up under various schedules of the vocational training agreement with the government of Canada. Under this agreement, a certain proportion of these costs is recovered from the government of Canada as follows: Training of the unemployed, which is schedule A, 50 per cent. recovered, and for foremen and supervisory training—that is a different schedule, Q—50 per cent., so that means we are get-

ting help from the Dominion government in setting up these classes.

Vote 410 agreed to.

On vote 411:

Mr. Wintermeyer: On vote 411, scholarships, bursaries and so forth, I would like to ask the hon. Minister whether he thinks there is any good in the suggestion I made just a little while ago, that we increase the bursaries for students attending the educational colleges to the extent that we pay for their board and lodging while attending that school, under the condition that they stay for a specific period of time in the profession after graduation.

Hon. Mr. Dunlop: I am very glad indeed to assist them. I do not know that there are many of them who need that. The hon. member's idea is that no matter whether they need it or not, we should pay for it.

Mr. Wintermeyer: No, no. Would the hon. Minister be prepared to state that it is the undertaking of this government to pay for any prospective teacher willing to complete the course—pay for his or her expenses while in college, or while at the Ontario educational college—on the condition that the student will remain in the school for a specific period of time?

Hon. Mr. Dunlop: Yes we do it, we pretty well do that at the University of Ottawa teachers' college now. That is worth consideration.

Mr. Wintermeyer: Well, has the hon. Minister considered it?

Hon. Mr. Dunlop: Not paying board and lodging. No, I have not considered that. I have considered giving bursaries and have given them bursaries.

Mr. Wintermeyer: Well, now, I have a Department of Education circular before me, relating to provincial student aid bursaries and federal-provincial student aid bursaries, type A and type B for 1957 and 1958. I know that the hon. Minister has divided the province, and demonstrated the number of bursaries and scholarships that he is giving in respect of counties.

Now, for example, in Metropolitan Toronto, he is giving 9 bursaries, according to this circular, for students attending the educational college. Now, in view of the number of prospective students in this area, I would suggest that that is very low. In my own county it is 2, a total in the province is 132.

It seems to me that this particular item of \$411,523 is wholly inadequate.

I do not like to come here and say that we complain because the item is not large enough, but I do say that the hon. Minister himself acknowledges that the revolving fund will serve its best purpose in the second, third and fourth years of university, and I agree with him.

On the other hand, he will agree with me if I tell him that many prospective university students are discouraged from ever entering school because of the fact that they feel they cannot afford it.

Therefore, I stress that it would be a good idea to increase bursaries and scholarships for grade 13 students, so that they may know, prior to the time they get to grade 13, that if their scholastic standing is good, they will at least receive a bursary for their first or second year.

Hon. Mr. Dunlop: It is just one year for scholarships.

Mr. Wintermeyer: Yes, well in teachers' college, for one year at least, they would know that this is available to them.

Now, I suggest that in university itself, in these same counties, the hon. Minister make bursaries available to these first-year students in Metropolitan Toronto to the extent of 20, in my area to the extent of 5. The hon. Prime Minister would be interested in Victoria county. I would hope that more than 3 people are interested in pursuing these particular bursaries, but that is the figure.

I suggest that, admirable as the revolving fund is—and I commend this government for it—I think it is only part of the overall programme that we must undertake.

The other part is to get and encourage students who do not have financial resources to enter teachers' college and university generally. And I say, to that extent, the limitation of \$523,000, which is not much in excess of what it was last year, is not adequate.

I think that I pointed out, on one previous occasion, that in the province generally, students are paying for 92 per cent. of the total cost of their particular education at the present time, and that loans and bursaries are paying for the balance of 7.5 per cent.

Hon. Mr. Dunlop: Is it not usually the case that a student in university pays about a third of the cost of his education?

Mr. Wintermeyer: Well, I am referring to a brief on government aid to higher educa-

tion presented to the hon. Minister, I believe, in January of this year.

Here that brief suggests that 92.5 per cent. of the total cost to the student—that is, tuition, board and lodging—is paid by either the student and/or his family, and 7.2 per cent. is paid by the—

Hon. Mr. Dunlop: I was not thinking of board and lodging.

Mr. Wintermeyer: Yes—well, I am including both and for a student. That is, by and large, the cost he must consider. I suggest to the hon. Minister—there is no point in arguing and being melodramatic about it—I think the hon. Minister would agree with me that that is an undesirable situation. I think it is demonstrated that our universities are for the well-to-do only, and that we must increase our bursaries and scholarships in wholesome fashion. I ask the hon. Minister, does he feel this item of \$523,000 is adequate to do the job which I think will be agreed is required to be done?

Hon. Mr. Dunlop: No, it is not adequate now. I went to Ottawa to try to get some more, but I did not get it. But we will get some more here.

Mr. Wintermeyer: But the hon. Prime Minister told us just a little while ago he does not want more money for education as such, he wants fiscal arrangements with Ottawa.

I am inclined to agree, frankly, that education is the responsibility of the province. Suppose we agree on this, then we are down to the simple determination that, if this amount of \$523,000 is not adequate—and I believe the hon. Minister feels it is not, as I feel—then what are we going to do about it?

Last year, I think the figure was \$483,000. Now, we certainly have to do something in a dramatic fashion, because, when the hon. Prime Minister said great strides have been made, I suggest we are going to have to make even greater strides in the future.

I think the same reports that we are always quoting from suggests the university population will double in the next 10 years. If that be the case, then surely we have to effect some real leadership in this respect, and increase the dollar bursaries and scholarships. Now, I think in all fairness the hon. Minister of Education will agree with me as any reasonable person would. What does the hon. Minister propose to do in the course of the next few years to increase this amount dramatically?

Hon. Mr. Dunlop: Oh, I think we will increase it each year. We have increased it this year.

Mr. Wintermeyer: Is the hon. Minister satisfied with the increase this year?

Hon. Mr. Dunlop: I never would be satisfied.

Mr. Wintermeyer: Never satisfied?

Hon. Mr. Dunlop: No, I am always looking for more.

Mr. Wintermeyer: I would think the hon. Minister is right. Who is holding it up?

Hon. Mr. Cecile: We are not.

Mr. Wintermeyer: Well then, the hon. Prime Minister should be out doing something about that right now.

Mr. Chairman, this is a serious point, and definitely I do not think we should embarrass the hon. Minister of Education unduly. I think that he frankly knows in his mind and heart that this is wholly inadequate, and I think the responsibility must be put where it should be put, on those in charge of the determination of how much money is going to be allotted to this department each year, which obviously are the Treasury bench or the hon. Treasurer as such. Therefore, I would ask the hon. Prime Minister whether he thinks this item is sufficient.

Hon. Mr. Frost: Mr. Chairman, I would ask the hon. member for Waterloo North to look at the last item in the estimates, and he will see there \$3 million in connection with the revolving fund, all of which must be read together.

Concerning the bursaries, I think that we get a refund of about \$100,000 from the federal government, and the balance is our own. I would say to the hon. member that we have increased those, this year. In any event, I would like to increase that as we can.

My own judgment is this, for what it is worth, and I do not profess to be an expert on education at all—an expert in providing money for it perhaps, but not on education as such—I think that the coming year will see more selection and more bursaries in university training. I think that will be the case.

On the other hand, I am bound to say this, that I look at the matter of selection with some misgivings. I doubt that any person or any board can really effectively choose one student and say that this student is

good, and put another one aside. If that had been done, we would rule out for instance Winston Churchill, who was no good at school.

That is one of the things that I worry about in connection with selections. I think we can become too selective in our set-up, I think there are great talents in individuals which develop when the opportunities come that cause them to develop. After all, I think the test is this, how do they do when the test comes? How do they do when they are under pressure?

For that reason, I think the course of things in the future will be more bursaries and more selection, I say that with some qualifications.

As regards the amount being enough, I rather follow what the hon. Minister of Education says, that we are not satisfied with anything. This year the total cost of education in these estimates is up to \$177 million, altogether. I think that is the total estimate. There are \$133 million for school grants. As a matter of fact, I would like to see some of those things greater, but on the other hand, we have to look at our capacity to pay and the things we have to do.

University-wise, the feeling pretty generally is that, while everybody would like to see some difference, we by and large have been doing a pretty fair job. When one looks at the budget for universities all the way through, one must remember that bursaries are not the only things. The money we have going to universities tends to keep down the cost. We may complain that the fees paid by students are too high; as a matter of fact I would like to see them come down. But one of the things that brings them down is the assistance we are giving which is reflected in other things.

Vote 411 agreed to.

On vote 412:

Mr. MacDonald: I would like to ask the hon. Minister this question: Is this to be the total of school grants for the coming year?

Hon. Mr. Dunlop: Yes.

Mr. MacDonald: I am interested to hear the hon. Minister say yes.

Hon. Mr. Cecile: Is that not generous?

Mr. MacDonald: The reason I asked is this: Last year we sat in this Legislature and passed estimates of about \$100 million.

The Legislature had not been adjourned for more than about two weeks when there was an educational conference going on in the city of Toronto, and we picked up our papers to discover that the government had reached down into the bottom of the old sock—to quote the comment of the hon. Provincial Secretary on one occasion, “there is more in the bottom of the old sock yet”—and came up with another \$4 million in grants.

The point is this, if we have a Legislature which is asked to discuss grants, and to pass on those grants, I think we have the right to expect that this is going to be the expenditure for the coming year, and that the government, for its own political purposes, with an election in the offing, is not going to reach down into the bottom of the old sock for an extra \$4 or \$5 million taken out of the \$50 million extra revenue coming in for the coming year.

Hon. Mr. Cecile: Purely political.

Mr. MacDonald: What does the hon. Minister mean, “purely political”?

Hon. Mr. Cecile: The hon. member for York South is.

Mr. MacDonald: The hon. Minister was purely political last April. He likes to accuse other people of doing what he does.

Hon. Mr. Frost: It had nothing whatever to do with politics, we did not have an election on.

Mr. MacDonald: There was a federal election going on, and the hon. Prime Minister wanted to curry favour. All I want to draw to the attention of hon. members is that, if the hon. Minister is correct that these are the total grants, I am glad to hear it and be given this assurance.

But last year, two weeks after this Legislature had adjourned, and had given authorization to the grants, this government suddenly produced another \$4 million in grants and doled them out for their own political purposes. I suggest that if there are going to be further increases, they should be made now, before the Legislature, when we would have had a chance to discuss them. Since the hon. Minister assures us he is not going to do it this year, I hope that proves to be the case.

Hon. Mr. Cecile: The hon. member for York South is drowning. He is drowned right now.

Vote 412 agreed to.

On vote 413:

Mr. Whicher: Mr. Chairman, this is the main vote of the educational estimates, and I would like to ask the hon. Minister a question. We were given to understand that in these grants to the various school boards of the province no school board will receive less than they did last year. Is that correct?

Hon. Mr. Dunlop: That is right.

Mr. Whicher: That is correct? Well then, if that is correct, why is the hon. Minister—and, mind you, I agree completely with what was said about an equalized assessment—but what is the sense of having equalized assessment if some are going to get more than others? I mean, obviously we have various municipalities here which have been assessed only at 25 per cent. of the equalized assessment figures as laid down by The Department of Municipal Affairs. If this government is not going to penalize them, what is going to happen to these people who are assessed over 100 per cent.?

Hon. Mr. Dunlop: I think—

Hon. Mr. Frost: —and we give the others more, that is the point.

Mr. MacDonald: Bring everybody up but nobody down, tra la, tra la.

Mr. Whicher: Well, take in the county of Haliburton, just as an example. I just happened to turn the page over. They have been assessed at approximately 30 per cent. of the figures as given by The Department of Municipal Affairs as an equalized assessment for the whole province. They have been assessed at approximately 30 per cent.

Well now, that means for a long time they have been really getting more education grants than they should have, compared to the rest of the province. If they are going to get a certain grant not less than last year, my question is this: What is the municipality going to get whose figure is 110 per cent.?

Hon. Mr. Dunlop: Well, Haliburton will not get less, but it will not get nearly as much as it would have if it had dealt differently with that assessment figure, and next year it will be a little more. We are penalizing it all right, but we are not giving it any less than it has been getting.

Mr. Oliver: Does the hon. Minister mean the full penalty will fall in the one year—next year?

Hon. Mr. Dunlop: Oh, no.

Mr. Oliver: Well, is it a 4-year period before they have to reach the correct status—4 years?

Hon. Mr. Dunlop: I think it is for 4 years.

Mr. Oliver: Is that settled? The hon. Minister had better ask the hon. Prime Minister. I think it is important that we know that.

Hon. Mr. Dunlop: Sixty per cent. the first year.

Mr. Oliver: What per cent. the first year?

Hon. Mr. Dunlop: Sixty per cent.

Mr. Oliver: Then the next year it will be—?

Hon. Mr. Dunlop: It will have to be worked out again, that is all.

Mr. Oliver: Oh, just one step at a time. But it will be a 4-year plan?

Hon. Mr. Frost: I would say to the hon. leader of the Opposition that here is the situation: We have had a great disparity of assessments, and the Opposition has taken, for instance, one place that is typical of very many others in that area of Ontario. What is our policy? To try to adjust all of these things and make it as painless as possible for them. That is what we are going to do, to make it as easy as possible.

As a matter of fact, in all of those areas under this system they gain a little—more than a little bit, they gain quite substantially—but some of the other areas, which have had high assessments and so on, have perhaps been penalized for that. Now they are having their problems made up for them because of that. That is the situation, and I think the hon. leader of the Opposition will agree that it is a pretty reasonable deal.

Mr. Oliver: The point I want to get cleared and, which I think the hon. Prime Minister went away from, is this: There is a set figure, an equalized figure, which we are going to attain some day. Now, in Haliburton, they are away down. "We are not going to make you come to that figure in one year," that is what I want the hon. Minister to say. It will be a gradual approach to it over a period, as the hon. Minister says, of 4 years.

Now following that for a moment when I am on my feet, the impact of these grants will differ as between the city of Toronto proper and the suburbs. Is that right, the application will not be the same in those two areas?

Take, for instance, the township of Scarborough. I think somewhat the same situation

exists as we were talking a moment ago in the area of Haliburton. In the township of Scarborough, as I understand it, there will have to be—if we are subscribe to this equalization figure—quite a definite readjustment. But it will apply there the same, not all in one year but it will be done over a 4-year period. How does this government decide it is going to do it over a 4-year period, or over a one-year period? How bad does it have to be, or how far away from the equalization figures?

Hon. Mr. Dunlop: In the case of Metropolitan Toronto, the grants all go to the metropolitan board, percentages are different and all the rest of it. And, in making up these grants, we had to put in a class by themselves 5 big cities: Toronto, Ottawa, London, Windsor and Hamilton. And there is a special arrangement for them which is fair and fair to all the others. So we are going to carry on in that way. Scarborough, for instance, is rural, is it not? It should not be, I suppose, but it is rural, and it is getting rural grants. Similarly, North York, East York and York are all rural communities.

Mr. Whicher: Mr. Chairman, I would just like to ask one more question. I think that certainly we are on common ground when we talk about the necessity of equalized assessment, but we must get some basis as to what these grants are. I would like to ask this question:

Presuming that there were two municipalities which were, to take a common figure, each getting \$1,000 in grants last year, and they had the same number of class rooms and so forth, and one of these municipalities has the figure 30 here and the other one has 100. Now the hon. Minister has told us the one which has 30 will not be penalized and therefore they will get at least \$1,000 next year—

Hon. Mr. Dunlop: Not penalized all at once.

Mr. Whicher: No. But the hon. Minister said they will not get any less than they got last year. In other words we will say that the municipality with the figure 30 will still get \$1,000 grant.

Hon. Mr. Dunlop: No. A little more.

Mr. Whicher: For supposition, to keep the figure even, we will say that they get \$1,000. My question is simply this: How much money will the municipality get which has 100 this year? Now, the hon. Minister should be able to answer that question.

Hon. Mr. Dunlop: A great deal more.

Mr. Whicher: I want to know how much more.

Hon. Mr. Dunlop: How can I answer that?

Mr. Whicher: I say to the hon. Prime Minister that I was fair here. I said the grant last year was exactly the same as \$1,000. The number of class rooms is identical, and the number of pupils is identical. But under this equalized assessment, as given by The Department of Municipal Affairs, under one municipality we have the figure 30 and under the other one, the figure 100.

Presuming that under the 30 the government is not going to penalize it at all, it is going to get as much as it did last year. Presuming that under the municipality that has the figure 30 it still gets \$1,000 this coming year, how much money will the municipality get which has 100 under this assessment?

Hon. Mr. Frost: If my hon. friend will give notice of that question, we will get him the answer.

Mr. Whicher: Well, I would agree that the hon. Minister should have notice on a question like that, and I would be very interested in getting it.

Hon. Mr. Frost: The committee on education is meeting—

Hon. Mr. Dunlop: This morning. We met this morning and we meet again a week from this morning.

Hon. Mr. Frost: Well, Dr. Jackson and officials are there. They can answer that question.

Hon. Mr. Dunlop: We provided a number of samples this morning of what has happened in various places.

Hon. Mr. Frost: Was my hon. friend down there this morning?

Hon. Mr. Dunlop: Yes, he was there.

Mr. Whicher: No, I was not there.

Hon. Mr. Frost: Well, I am awfully sorry. We put that on for the hon. member's benefit.

Mr. Oliver: Mr. Chairman, when the hon. Prime Minister was speaking in the budget debate, I think I heard him say that the rural system of grants, their application in the rural areas, was being brought into these 5 particular cities. He stressed—and I thought properly at the time—that the great growth around these areas had built up specific

problems that were not applicable to the rest of the province.

Now there is a point here I cannot understand, particularly about the metropolitan area of Toronto. The hon. Minister has just said that in Scarborough, for instance, while their grants are not going to decrease—everybody agrees with that, they will be certainly not less than they were—there will not be the same increase in grants in Scarborough as there will be in the city of Toronto proper, and the same will be true of the rest of the areas around the city.

I think that is right. Well what is the answer then?

Hon. Mr. Frost: The city of Toronto proper is in a different class from the rest of the city, and the township of Scarborough is in a rural class, gauged again by—

Mr. Oliver: I know, I know exactly what the hon. Prime Minister is saying.

Hon. Mr. Frost: I would point out to my hon. friend—

Mr. Oliver: I know, but I want to continue this just for a moment. I agree with what he says, but if there is a great growth around Toronto, that growth is out in the township of Scarborough. It is in the townships of North York and of Etobicoke. It is not in the city of Toronto.

Now, in the budget speech, the hon. Prime Minister laid great emphasis on the fact that these grants would be used in the city of Toronto to help in taking care of the great growth. What I cannot get through my head is that the growth is not in the city of Toronto. It is in the outside areas. Yet we are dealing more fairly with the city of Toronto proper than we are with the outside areas. Yes, the hon. Prime Minister is—

Hon. Mr. Frost: I would say that is not so. Let us remember that the grants from the township of Scarborough, and the grants from the city of Toronto, are pooled in this area, so that actually speaking there is a common school board, a co-ordinating school board, which means that the grants in Scarborough and North York and these other places and Toronto are actually pooled to a very great degree.

Therefore, again we have to take the common division there. I would say to my hon. friend that more properly the comparison would be between Scarborough and for instance, the township of Etobicoke. Those are two similar areas. That would be where the comparison would be, and have not Scar-

borough and Etobicoke a common assessment under the Gray system? Is there not a common system, or are they using the old grant system? Actually speaking, there is some small variation according to our yardstick. For instance, Scarborough might be 90 per cent. and Etobicoke might be 105 per cent.

Well, in that case, there would be an adjustment when those two municipalities are compared.

Mr. Oliver: I know my hon. friend knows much more about it than I do, but if we take these figures in this aggregation of leaves here, we will find that the per pupil grant and the per class room grant, in the city of Toronto proper, are most definitely higher than they are in Scarborough and Etobicoke and all the other areas.

Hon. Mr. Frost: But let us remember this, again the hon. leader of the Opposition is comparing different things. There are certain factors in the 5 large cities that are left out of the other cities. For instance, there are degrees of teachers' salaries that are omitted in the 5 larger cities but are included in the others and, therefore, we will find that if we were to take the number of pupils in the area and divide them, we would get a truer result than in trying to compare the difference in grants between those areas.

Mr. Oliver: Well, I do not want to pursue this, but does my hon. friend say, then, that the impact of this new system of grants will be as good—let us use that word—for the township of Scarborough as it will for the city of Toronto proper?

Hon. Mr. Frost: Yes.

Mr. Oliver: Does he mean that even though the city of Toronto gets higher per pupil, higher per class room than these other townships do—

Hon. Mr. Frost: That is right.

Mr. Oliver: Well then, why is the difference made? Why was not the whole metropolitan area put in one?

Hon. Mr. Frost: Well, for very obvious reasons. Toronto, for instance, has a very high industrial assessment, an industrial assessment that might perhaps run up to 55 per cent or 60 per cent., something of that sort. But the township of Scarborough might have an industrial assessment perhaps of only 20 per cent. Actually speaking, however, I think that if it is worked out, I think the hon. leader of the Opposition would see that the township

of Scarborough would receive a higher per pupil grant than would the city of Toronto.

Mr. Oliver: Oh no.

Hon. Mr. Frost: He is comparing only one thing there. Let him remember that in—

Mr. Oliver: What else is there besides teachers' salaries? There is nothing else?

Hon. Mr. Frost: Oh yes there is.

Mr. Oliver: Well, what is there?

Mr. MacDonald: Would not the growth factor come in there?

Hon. Mr. Frost: Yes, the growth factor comes in as well. That is right. The hon. members had better ask Dr. Jackson about this. It is a complicated matter but he can make sense of it.

Mr. Wintermeyer: Mr. Chairman, just pursuing that for a moment, I believe it was the hon. Prime Minister who said, in the explanation on budget day, that he is inaugurating the rural system in the urban areas. I think we all agree that basically that is a good thing.

Hon. Mr. Frost: I would not say the rural system, but the principles of the rural system. We are carrying that into the urban areas.

Mr. Wintermeyer: Yes. I think some of us interpreted that to mean that the whole emphasis would be on the class room. That is, that the hon. Prime Minister would determine what the class room requires, in terms of dollars and cents, to operate efficiently.

Now, I am not talking technically, but very much in layman's language.

Then, the hon. Minister determines what that assessment per class room is, in that particular area, on his equalized basis, and if the assessment is low, he will build it up to the ideal. I felt that was a very worth while step forward.

Now, I note that, in the determination of the grant, there are 3 or 4 different factors that are taken into consideration to make the ultimate grant. The growth need factor is one, and I think it is an understandable one.

But I do not like this, the teacher's salary determination, for this reason. It seems to me that it perpetuates low salaries. In other words, he contributes a certain portion of that salary. Now it is not the ideal salary, it is usually a low salary, particularly in the rural areas, and particularly in some school boards where they cannot afford to pay more salaries as good and adequate and desirable and ideal salaries. The hon. Minister pays;

not a portion or a percentage of the ideal, but a percentage of the *de facto* salary in that particular area.

And so I say that, to that extent, this system I think must be criticized because it certainly does not assure that a board will be in a position to pay an adequate salary to the teachers in that respective school area.

Now in the rural areas, I presume we are going to persist in a situation where, in many instances, teachers are earning in \$2,000 to \$3,000, doing comparable work and probably more burdensome work, than the same type of teacher is doing in an urban area, where the salary is considerably in excess of that. I would say that, to that extent, this new system should be criticized, because I am afraid that it perpetuates an undesirable thing, and that is low teachers' salaries in the weaker financial areas.

Hon. Mr. Frost: Now, I might say that is one of the great problems of a grant system which is based upon cost and upon teachers' salaries. As a matter of fact, that is one of the reasons why the matter of teachers' salaries was eliminated from the 5 larger cities altogether, for this reason. There were different classes of schools, that made the disparities considerable—that is, in the elementary schools.

I would say to my hon. friend that one of the problems in other schools is this. If we were to subsidize teachers' salaries on the basis of the amounts actually paid, you see, we have then increased that disparity as between poorer schools and wealthier schools. That is the reason why, in teachers' salaries, a portion of the salary, say \$115 a pupil, was taken.

Now as a matter of fact, \$115 a pupil works out to what? About \$3,500 a year is it not? \$3,400 on \$50, that has been taken as the maximum. Now that was done in order not to create that disparity between the poorer sections and the wealthier sections. That is the purpose of it.

As a matter of fact, I can say to my hon. friend that a year ago, in introducing the changes then, we raised the per pupil grant, teacher-salary wise, from \$75 to \$100. We found that created a great deal of difficulty in the poorer schools. It made it very difficult in some cases for the poorer schools to compete. That was not only between separate and public schools, but also between poorer separate schools and wealthier separate schools and poorer public schools and wealthier public schools.

Accordingly, very great care was taken this time not to create a great disparity, and although the grants all away around have been raised, the per pupil amount was increased in this case from \$100 to \$115. The per pupil grants were increased to offset the effects of that.

Now, I would quite frankly say that in a matter so complicated—and this is a matter of immense complication—the minute we get into the study of school grants it is something that is almost never ending, and in some ways it is understandable as between various parts of the province and different municipalities, depending upon the incidence of high and low assessment and the effect of industrial assessment.

I would not for a moment say that this system is perfect, but I do think it is a very great improvement over anything we have had in Ontario. I am satisfied with that. I am getting generally very favourable comments from the school boards.

We anticipate next year that there will have to be adjustments. Perhaps we are going to find that, by a combination of these complicated schedules, some places might suffer, other places might be too affluent. Those things are inevitable.

I would say, Mr. Chairman, that Dr. Jackson and Dr. Cannon and Mr. Stacey, who are here, and others who worked on that committee, took thousands of examples in various formulas, to see how it would work out. They did this because one can devise one system here for, say, the city of Toronto, and when it is applied to some other place it is completely out of line.

That is the reason why population was used in only one regard, and that was to create classes within which the formula would work. That was the only use that was made of population.

As a matter of fact, when we first started out, we felt that perhaps we could take the whole urban area and apply one formula to it. But that was found to be impossible, it simply did not work, because for one thing the disparity in teachers' salaries. We might find that some areas would be paying \$3,400 or \$3,500, and some areas 3 times as much as that.

All of these factors taken together meant that the matter had to be broken down into areas, and then a formula be devised that would give equity in that particular class, and then it had to be worked out up to the top, I mean to the largest municipality, and then it had to be looked at to see that, as

between those classes, once that was done, there were no inequities.

That is an immense job. I may say that I have the greatest admiration for the work of these gentlemen whom I have mentioned.

If hon. members would listen to Dr. Jackson, with whom I have been associated now for many years, as a matter of fact, back in 1945 I worked with Dr. Jackson and the late Dr. Gear on the school grants. Dr. Gear was a very great man; he told me at that time that the grant system would work. Now, hon. members will remember that was on a basis of cost. It was the best yardstick that could be used at that time, and it looked like a very good one, but that was before the great upsurge of school population in the province.

I would say that this was one of the faults of the 1945 system, but it was the best that could be done at that time. But it did tend to make the rich richer and perhaps the poor poorer. But Dr. Gear told me that it would work out fairly equitably for a period of 5 years. As a matter of fact, Dr. Gear died in the meantime, but he was quite correct in that.

By 1950, we introduced a new system that was based on a combination of things, including attendance. We felt at that time, with the experience we had, it would last for 5 or 6 years; as a matter of fact, at the lapse of 5 years we started, as hon. members know, putting pupil assistance and some other things into the grant system.

With this new system, of course, our problem was not with the rural end. Actually speaking, the rural system took into consideration the factors we have now applied to the urban end of things. We had achieved a reasonable result, and we had a very fair degree of satisfaction, particularly in the elementary schools.

By and large, where a problem existed 15 years ago, it is now entirely altered. Often it was not in the poorer rural areas, it was in very many of the urban areas and particularly the wealthier areas.

Now, I would say that the committee is meeting again next week, Wednesday morning, and many of those things could be explained by the officials who are there.

Votes 413 to 415, inclusive, agreed to.

Hon. Mr. Frost moves that the committee do rise and report progress.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: The committee of supply begs to report progress and begs leave to sit again.

Report agreed to.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House, may I remind the hon. members that tomorrow night there is no night session. I say that for the benefit of my hon. friend, the leader of the Opposition, and the hon. member for York South, to show that there is no effort to unduly hasten the work of this House.

But the House does meet at 2 o'clock tomorrow afternoon, when the non-controversial estimates for The Department of Reform Institutions will be instituted by the House, followed by bills on the order paper. Depending upon the amount of time taken, there might be a speech or two on the budget debate, but I would very much doubt that.

On Friday, we shall meet at 10.30 a.m., and the estimates of The Department of Planning and Development will be followed by the budget debate.

On Monday, we will meet at 2 o'clock. There will be no night session on Monday, and there will be no night session on Tuesday, which again I think is an indication to my hon. friends of the fact that we are proceeding in our orderly, calm way to do the business of the people.

Tomorrow I will have to give the estimates for those two days, but in any event, tomorrow The Department of Reform Institutions, and on Friday The Department of Planning and Development.

I move the adjournment of the House.

Motion agreed to.

The House adjourned at 11.00 of the clock, p.m.





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Thursday, March 13, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 13, 1958

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. J. A. Maloney, from the standing committee on private bills, presents the committee's seventh report and moves its adoption.

Your committee begs to report the following bill without amendment.

Bill No. 29, An Act respecting the estate of Melville Ross Gooderham, the Kathleen Isabel Drope Trust, and the Charlotte Ross Grant trust.

Your committee would also recommend that the following bill, having been withdrawn, be not reported:

Bill No. 34, An Act respecting the South Peel board of education.

Your committee would recommend that the fees, less the penalties and the actual cost of printing, be remitted on Bill No. 34, An Act respecting the South Peel board of education.

Motion agreed to.

Clerk of the House: Mr. D. J. Rankin, from the standing committee on municipal law, presents the committee's first report and moves its adoption.

Your committee begs to report the following bills without amendment:

Bill No. 108, An Act to amend The Public Parks Act.

Bill No. 119, An Act to amend The Public Utilities Act.

Bill No. 120, An Act to amend The Ontario Municipal Board Act.

Bill No. 121, An Act to amend The Local Improvement Act.

Bill No. 131, An Act to amend The Department of Municipal Affairs Act.

Your committee also begs to report the following bill with certain amendments:

Bill No. 130, An Act to amend The Municipal Act.

Motion agreed to.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

Annual report of the Ontario College of Art for the fiscal year ending May 31, 1957.

Mr. Speaker: Introduction of bills.

THE LIQUOR CONTROL ACT

Hon. G. H. Dunbar moves first reading of bill intituled, "An Act to amend The Liquor Control Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in section 1, the purpose of re-defining beer is to give the board control over all beverages containing alcohol, that are made from barley, malt, or hops, in order that it will include all so-called beer. That would cover the subject of "light" beer.

Then, under improvement of wine, we are adding, to that list, wine made from honey. As hon. members know, farmers in the past have been making wine from dark honey. There is one firm in that business, so we are making it possible for them to sell their product.

Then we are defining residence, that is to say, regarding the case tried last year. Residence will include a reasonable amount of land, connected with the home, as the residence where the person is.

Therefore one can be out on his verandah or out on his lawn, and have a bottle of beer without breaking the law.

If an hon. member came into my house, and I were sociable enough to offer a drink, and he accepted that, he could be prosecuted, but I could not. We are going to have it so that a person accepting a drink at his host's residence cannot be prosecuted. So that is all there is to this bill.

THE CORPORATIONS ACT, 1953

Hon. Mr. Dunbar moves first reading of bill intituled, "An Act to amend The Corporations Act, 1953."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this is a simple matter. Let us say, in the past, a corporation had its charter cancelled, and perhaps they found later, through some error of the solicitor or the accountant—something of that nature—that its business had not been completed, had not been wound up. Therefore, we are giving the power to His Honour the Lieutenant-Governor-in-Council to open up the matter again and renew the charter.

THE EMBALMERS AND FUNERAL DIRECTORS ACT

Hon. M. Phillips moves first reading of Act intituled, An Act to amend The Embalmers and Funeral Directors Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, an explanation of this. There are 6 features. No. 1 is a clause added so that the Minister of Health may be informed of the particulars of permits, as well as certificates of qualification, which simply means that the Minister of Health annually receives a number of permit holders among the funeral directors.

Second, is to make each licenced director, whether an embalmer or funeral director, to show in public and in advertisements who is in charge of the business.

Third, that he must display in a conspicuous place his licence which gives the name of the director or directors in charge.

Those sections were put in in order to protect the public.

Then the fourth is that we changed the name from board of examiners to board of administration.

Fifth, up until the present time, a man could allow his licence to lapse for a 5-year period before it was cancelled but we have reduced that 5 years to 3 years.

Sixth, and last, is to prevent anyone, any one director, from carrying on several places of business. In the future if he has several places of business he has to have a licenced director in each place.

THE FINANCIAL ADMINISTRATION ACT, 1954

Hon. A. K. Roberts moves the first reading of bill intituled, "An Act to amend The Financial Administration Act, 1954."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill provides for enlarging, or power to enlarge, the Treasury

board from 5 to not more than 8 members, and makes a slight amendment to subsection 1 of section 34 of The Financial and Administration Act, 1954.

RAISING OF MONEY ON THE CREDIT OF CONSOLIDATED REVENUE FUND

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to authorize the raising of money on the credit of the consolidated revenue fund."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill authorizes the raising of money, on the credit of the fund, loans up to \$250 million.

Mr. Speaker: Before the orders of the day, I would like to welcome students from the following schools: Orde Street school of Toronto; Queensway school in Toronto; Rippleton Road School, Toronto; Annette Street school, Toronto; and also students from Westerbelt business school in London, and a group of ladies from the YWCA mothers' club in Hamilton. These people are here to view the proceedings of the House, and we tender them a very warm welcome.

Hon. L. M. Frost (Prime Minister): I would like to table answers to questions Nos. 2, 4, 18, 20, 22, 24, 29, 31, 15, 16, 26, and 30. I might say I worked all night.

Mr. G. C. Wardrope (Port Arthur): Mr. Speaker, before the orders of the day I would like to read a small item from the Port Arthur *News Chronicle* from March 8. Now the reason that I bring this up, it has to do with the \$5 million that this government made available to employ those unemployed who had run out of unemployment insurance.

I have heard it so many times called a phony scheme, a vote-catching scheme, and a window-dressing scheme, due I guess to the frustration and sorrow of the Opposition because they did not think of it themselves. Therefore I think I should not read this to show how it is working out in one section.

Now this is from the Port Arthur *News Chronicle* of March 8:

FORT WILLIAM APPROVES WORK PROJECT. Fort William board of works passed a motion Friday for the go-ahead in brush and clearing work at a cost \$43,500. This is in line with Prime Minister Frost's offer of aid for the unemployed who cannot collect unemployment insurance.

The work is located on Island No. 2 and is expected to get under way by Wednesday or Thursday. The proposed project will be brought before city council Tuesday. City Engineer J. A. Marshall said approximately 99 unemployed workers can take advantage of this employment.

Now, Mr. Speaker, I read that to show that this is an example of the splendid way in which this plan is working out to assist our unemployment, and for the benefit of the opposition.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost: Mr. Speaker, I move that you do now leave the chair and the House resolve itself into the committee of supply.

Motion agreed to; House in committee of supply.

ESTIMATES, DEPARTMENT OF REFORM INSTITUTIONS

Hon. M. B. Dymond (Minister of Reform Institutions): Perhaps today I should approach this task with some temerity, but I assure you, sir, I am experiencing no such sensation. Although I intend to ask this House to vote a substantially increased amount of money for the operation of my department, I do so without fear or apology, since I have made certain that each estimate has been examined and re-examined by the officials of the department, and I am quite satisfied that the increase is justified.

When this House passes these estimates, I can assure hon. members the funds will be used with all the care and thrift traditionally attributed to the race from which I am sprung.

Before settling down to the matter in hand, Mr. Chairman, may I be pardoned some personal references. When in July last I was called to assume this portfolio, I did so with some slight reluctance. This stemmed in small part only from the fact that joining the executive council of this province called for some personal sacrifice, as it does in almost every case. But in addition to this, to my mind, of even greater importance was the question of my ability and fitness to assume the responsibilities which any portfolio places upon the holder. However, I recall once reading this advice, "always do the thing you are afraid to do," so I was proud indeed to undertake this further opportunity of service to this country which has done so much for me (for, after all, I

am one of those often called "New Canadians").

I would at this time thank all hon. members of both sides of this House for their congratulatory messages and many kindly wishes so generously sent to me on my appointment. I trust that when my record is reviewed, it may not be found wanting in too great measure, and that it may not be too greatly disappointing to those who wished me well.

For reasons which I expect will be perfectly patent to most hon. members of this House, Mr. Chairman, I particularly want to thank the hon. member for York South (Mr. MacDonald) for his good wishes as reported in *Hansard* of Wednesday, February 12. I want to say to him that I do sincerely accept his felicitations in the spirit in which I believe they were extended, for I believe he is innately a kindly gentleman, albeit somewhat misguided.

But in this department, where my interest has lain for the past 8 months, we soon learn that discouragement is a luxury we can never afford to indulge and so I would hasten to assure my hon. friend from York South that I still have some hope the day may yet come when for him shall dawn a great light showing him so clearly that the path he follows is surely a dead-end street. My hon. friend at this same time made some further remarks about my department and its staff. With these I shall deal at some length later on.

As has been customary in past years, the report of my department has been submitted in two parts. Part I is devoted to the record of reformatories, industrial farms and jails, while Part 2 deals with the training schools. Taking these in this order of precedence, I would commend to the personal attention of all hon. members the interesting history of our system, ably sketched by the Deputy Minister in his remarks. This is an interesting résumé for several reasons.

First, it is submitted by one who has spent many years in the practical side of this work and has himself seen the many changes of which he writes. Furthermore, he has played a not inconsiderable part in thinking out and putting into effect many of these changes, and has therefore had ample opportunity to assess their value and effectiveness, and too, on occasion, to see their weaknesses.

Then, too, this preface, reviewing as it does our system from its inception to the present time, shows without doubt that we have made a good deal of progress. Not that I claim perfection or even near-perfection for our

efforts (and I shall have more to say about this), but I can and do, with some justifiable pride, claim for the entire staff of the department, well merited praise and commendation for the efforts they continually put forth and for the progress they have made.

Next, we note some statistical information. Statistics are usually cold and dry, but it is said that "figures do not lie"; so in the interest of truth alone we ought to look at and consider them in some measure at least. We note with a good deal of dismay that the rates of convictions and commitments have both increased appreciably—the latter by 14.8 per cent., and the former by 15.2 per cent.

In every class or type of offence, except one, we have experienced an increase, and even allowing for the increasing population, there is still a slight increase. This is not peculiar to Ontario only, as the same experience has been reported for Canada as a whole, as well as for several of the states to the south of us. In this regard, it might be of interest to note that California, credited with having a most enlightened judicial and correctional programme, reports an increase of 7 per cent.

These, I believe, are corrected statistics. I might claim, justifiably, that this is not our concern in The Department of Reform Institutions, but we do consider it and are concerned about it, since we hope that part of our programme at least should exert a deterrent effect and thus be reflected in decreasing crime rates.

Further, this preface speaks of treatment as well as punishment, and it is, I think, to the credit, not only of those engaged in the field of correction, but also the great body of public opinion, that we speak now of treatment and punishment, rather than of the reverse order. But I feel, Mr. Chairman, I cannot pass over this lightly without observing that all of the people do not agree on this subject. Indeed, I believe I can say rightly that society is fairly evenly divided into two schools of thought. They are on the one hand, "that we are too strict, too harsh in our system," and on the other, that we are too easy, "that we mollicoddle our charges too much."

My hon. friend from York South expressed the hope that I, and I quote, "can resolve the confusion of purpose within the department." I will deal specifically with this hope, but I make the above observation just to point out to you, sir, and to the hon. members, how much confusion and question and doubt surrounds this entire problem in human relations.

Considering treatment first for a brief space, since I have to admit very frankly, sir, this I believe to be our first concern in the department, I would direct your attention to the second part of our report, that concerning the training schools, for here practically the one consideration over-riding all others is treatment. When we think of the background of the majority of these children—for in very fact, sir, children they are—we can readily see that treatment must be of paramount importance in any programme that is to be effective.

From whence come these students to our schools? What causes them to fail to conform to what we all accept as a normal pattern of behaviour? I believe we will all agree that no child is born bad, is born a criminal, and I would go further, sir, and suggest that I at least cannot believe any child is born with a natural tendency to criminality or delinquency.

Following the pattern of former years, we note in the "Factors Contributing to Delinquency," that 90 per cent. or better can be attributed to the home and parents—poor homes, broken homes, unstable homes, alcoholic parent or parents, immorality, mental and emotional instability of parents, desertion by parents, criminality in parents—whatever the fault, the victim of that fault is the unfortunate child or children, and I would personally include in the list of defections, immaturity of parents, for I seem to note a growing trend toward earlier marriage, resulting in children being born to parents who are themselves little more than children and certainly too immature to assume the responsibilities of parenthood.

But the inescapable fact, Mr. Chairman, is this, that in this respect I am convinced our approach has not been altogether good. We, and by that I mean society, should have been concentrating on the basic causes of delinquency and seeking thereby to effect a cure. I do not say this, sir, with any hope or intention of seeking to direct attention or criticism away from our department, but rather because I share with all those in my department concerned with the training schools, and also, I am very pleased to note, a great and growing body of public opinion, that this is a long overdue approach to an old, a difficult, and an increasingly grave problem.

And so today, Mr. Chairman, I take this opportunity to appeal with all the vigour of which I am possessed, to all hon. members of this House, and indeed all thinking people of the province, to urge the beginning of intensive, well-ordered research into this problem of juvenile delinquency.

Now, sir, we might take a look at what we are trying to do and what we are accomplishing in this field of correctional treatment of our juveniles through the province's training schools. As all hon. members know, we at present operate two schools for boys, and one for girls, and in addition to this, we have supervision over one school for girls and two for boys operated by Orders of the Roman Catholic Church.

In our own schools we have under residential care 210 girls, and 460 boys. In addition, we have in placement a further 100 girls, and 550 boys. The latter group have already undergone a period or periods of in-residence training and are now placed in their own or foster homes, where they remain our wards till wardship is relinquished by this department, or until they have reached the age of 18 years.

We have to turn to some figures again, to find our students range in age from 8 to 17; the greatest number falling in the age group 13 to 15 inclusive.

I have already pointed out to hon. members the most important common factor contributing to their delinquent pattern, namely, broken and disturbed homes. Some believe, and would have us believe, that the majority of these youngsters are of low, weak, or defective mentality. This, Mr. Chairman, is not borne out by fact, as we find in our group that approximately 50 per cent. fall within the range of the normal to highly intelligent. A large percentage of them, approximately 83 per cent., are from urban areas—this may be suggestive. Race and creed have also been considered statistically with, I believe, no conclusive opinion reached.

These matters, Mr. Chairman, are not investigated and reported just for the purpose of providing information in the hope that some of it may be of interest to some of our people—rather all this is part and parcel of the research being carried on continuously by the staff of our department.

It is part of a plan undertaken by the staff of the department in the hope that we might ourselves find some answers to the questions asked by so many in every jurisdiction. It is our contribution to the research project which we feel so urgently should be seriously tackled by some other authority; namely, the causes of juvenile delinquency, and how best to deal with this problem.

But I should point out here, too, that research is assuming greater and more important proportions in our programme than ever before, and I am pleased to inform this House, through you, Mr. Chairman, that my staff, in

co-operation with Judge Stewart of Metro juvenile court, and his court staff, has just begun a new research project, the first of its kind in this province if not in the whole of Canada, and one which we hope will be most fruitful in results.

Now for our programme for students in the training schools. In the case of the younger students, chief emphasis is naturally placed on academic training. The curriculum set up in consultation with The Department of Education is followed throughout, and is well accepted by our students. I believe our results, looked at broadly, are equal to the results found in comparable groups in any of our public schools.

It must always be borne in mind that our students all start out under handicaps—some of them severe indeed. Not the least of these handicaps is the lack of discipline so evident in all of our students. When they first come into our care, to teach them discipline is, of course, one of our prime duties and responsibilities—for I am one of those who believes unswervingly in the need for, and value of, discipline.

I realize that I tread on dangerous ground when I speak of this. In the minds of so many, this quality discipline, which is basic to sound character building, is so often confused with militarism and regimentation. If I may step aside for a moment, I would make the personal observation that I have never seen any harm stem from military discipline, and conversely I have seen much good flow therefrom.

In regard to this matter of discipline in the training schools of the province, I would say, without excuse or apology, that I sincerely hope every member of the staff dealing with our students will always bear in mind that good discipline is essential to the building of character, and is equally essential to fitting every one of our young people for citizenship.

In our programme, there is no emphasis or insistence upon militarism, or discipline that can by any stretch of the imagination be related to militarism. But I would make very clear to the hon. members of this House that those phases of our training programme related to cadet training, and such, are among the most popular with the students, and to be able to take part in those activities is considered a prize to be sought after and to work hard toward. Those who have seen our cadet corps at Bowmanville, on parade, or our girls' band at Galt, will know and appreciate what I mean.

But I do repeat that discipline—sure, firm, but at all times fair—must be insisted upon, and it is most refreshing to note the pendulum of popular opinion in this matter is swinging back again, away from the “self-expressionist” school, to something approaching a “middle course.”

Since our students spend all of their time in residence, it is necessary to consider every aspect of their life and activity. A programme must be instituted with this in mind—hobbies, work projects, handicrafts, sports, athletics, and recreational activities are all included in this programme.

In the case of older girls and boys, greater emphasis is placed upon vocational training. I do not mean by this that we attempt to train the student fully in any certain trade or vocation. They are not usually in our care long enough for this, but we do strive to give them a grasp of the fundamentals in the hope this will be of some value when they take their place in society again.

Throughout all their stay in our training schools, I can assure hon. members, every attempt is made to guide and counsel our charges, to give them a sense of belonging, to develop in them some feeling of security, to straighten out their warped minds, to reorient their distorted thinking—all this in the hope that their latent capacities and potentialities may be brought out, their personalities may be caused to blossom forth—in a word, sir, that they may be guided toward their natural destiny.

The intensive programme during the time of the student's residence in the school of necessity cannot be continued when he or she is placed again in the parental or a foster home. But these homes are investigated very carefully and thoroughly, having first in mind the needs of the student. While we cannot hope for a perfect score, yet I am able to state today that we have had a good record in this regard. As evidence of this, I would direct the attention of hon. members to the fact that, out of 874 student placements, 278 had to be returned for a further period of training—I will have more to say about this later on—and 20 were sent to other institutions.

When we speak of treatment, we appear naturally to think of the need for the services of professional people, and indeed, these have for some time been an integral part of our Ontario system. Our professional staff at present comprises 3 full-time and 7 part-time psychiatrists; 11 full-time and 3 part-time psychologists; 2 graduate social workers, in

addition to physicians, dentists, nurses, teachers, and chaplains. We also have one graduate dietitian and one graduate occupational therapist.

There is a scarcity of social workers, but I am pleased to be able to announce that we have 6 coming to us from Great Britain within the next few weeks, and two who have been studying at Toronto University under our bursaries, will join our staff this summer on graduation. Taken all in all, our professional staff is in very satisfactory condition, and forms a very necessary part of the entire correctional team. There is no doubt now of the value of treatment in the correctional system. But is it being used adequately; is there still a greater place for treatment of this kind? These and many other questions still remain to be answered, and are among the many questions constantly under study by the staff of my department.

I would be negligent were I to leave this subject without making mention of our training schools advisory board. This board consists of 5 members—4 men and one lady—all of them giving their services generously to a cause in which they have great faith, and for which they have a considerable love. Like so many of our people in various other fields of endeavour and public service, I would commend them and their efforts to the attention of this House, and indeed to all the people of our province.

If I have appeared to emphasize this phase of the work of my department, I must admit this has been intentional, for I am persuaded that herein lies the hope of our greatest success in the whole field of correction and reform. I recall reading a long time ago of a priest who said, “Give me the first 7 years of a child's life, and you can have the rest; for in that time I believe I can mould and pattern his thinking, his outlook and his attitudes.”

I am not sure I can fully accept this statement, but I do agree that if a child comes into care at the time of the first signs of abnormal behaviour, help then is most easily given, and in the main is most readily received. Get the child when he is first straying into a delinquent pattern, before he has built up hate, bitterness and animosity, while he has still some faith in society, and I believe we can do more to help him.

Rising out of this faith and this belief, I would ask hon. members to take a look at the immediate future of our training schools. During 1957 our admissions increased, in the case of girls, 51.28 per cent., and boys 23.79 per cent. Our girls' school at Galt was built

to accommodate 100; today the population is almost 200.

To help relieve this, we set up a small unit for about 25 of the youngest girls. This was primarily as a further experiment in classification; to take very young girls when first sent to us, and to try to train them completely apart from older girls, and those who had been in our school for some time. This will open in a few weeks now, but we are faced with the urgent necessity of building here a school for 100.

Although we purchased within the past 8 months another house adjoining the boys' school at Cobourg, we are already overcrowded there, as we are also at Bowmanville. We are at present actively seeking a building site for another boys' school to accommodate 100 to 125.

Perhaps some may counter by suggesting we shorten the period of in-residence training, or that we might enlarge the facilities we now have and build up the present schools to double their capacity.

Dealing with the latter suggestion first, I may say that the advice of almost all, who may be considered to be expert in this field, is that no school should plan for more than 100 students if good results are to be expected. Indeed in England they believe 40 to 60 to be the ideal number of students for any one school. At the present time, it is the policy of our department to consider 125 as the absolute optimum capacity.

In the matter of shorter in-residence training periods, we have some very revealing figures from our own experience. In our Galt school—

<i>Year</i>	<i>Average stay</i>	<i>Girls Returned</i>
1953-1954	12 mos.	80
1954-1955	14 mos.	61
1955-1956	18 mos.	19
1956-1957	18 mos.	16

These figures would show that unless adequate in-residence training can be provided, the failure rate rises and, as a corollary, the cost becomes greater.

Turning now, Mr. Chairman, to part I of our report, dealing with reformatories, industrial farms and jails, we are pleased to note that the admissions to those institutions increased by only 43, or less than .5 per cent. in 1956-1957, as compared with the previous year. Taking into consideration the natural increase in the general population, there would thus be a decrease in the number sentenced to those institutions.

There was a somewhat larger number sentenced to jails, the figure here increasing 1.85 per cent. over the previous year. I do not intend to consider the reasons for this, but would say in passing that it may be due in some measure to the greater use of probation, an instrument which many believe should be used much more extensively.

I have to admit we have not made the advances in this branch which we probably might have made, for very good reason. As hon. members no doubt know, the federally appointed commission, known as the Fauteux commission, made certain recommendations which, if implemented, would make very great changes in our system. To date, much study and consideration of these recommendations is still being made, so it would be unwise if we were to go ahead with many things planned by our department until some decisions have been reached by the federal Department of Justice.

I do not mean to convey the impression that we are at a standstill, waiting for the next move from the federal people. We still continue our programme, and do those things which cannot be delayed, at the same time making whatever progressive changes can be made without involving the province in extensive, costly changes.

Training, with a view to rehabilitation, is still the keynote of our programme, especially in the case of young offenders. The training centres at Brampton and at Burtch continue to do excellent work, with continued good results insofar as reclamation of inmates is concerned.

I have a tremendous faith in the value of hard work as a therapeutic measure, and I was most pleased to note that the staff of this department almost without exception had this same faith. As a result of this attitude, it is unusual to find much loafing about our institutions, and I believe I can say with some conviction it is equally unusual to find much of the inmates' time spent in useless or non-productive work.

I believe there is a place for some types of work which may be considered menial or undignified in the field of punishment, but I also believe this place is definitely limited.

In addition to the various industries carried on in our institutions, we have co-operated with The Department of Lands and Forests in particular in projects of great value to the province. These have included fire-fighting, conservation projects, brush-clearing and burning reforestation, clearing camp and park sites, and such. These are most valuable phases of our programme, as

they give men an opportunity to show their initiative and ability, and also give us an opportunity to assess the value of our reformatory work.

Since these projects are out in the open, only very little in the way of security measures can be carried on. Yet I think I am correct when I say that not one man attempted to escape, and indeed there was a good deal of rivalry for these jobs.

These projects were also valuable to us from the standpoint of the health of the men. During the epidemic of flu last fall, far fewer of our men on these jobs were afflicted than was otherwise found. I am proud also to state the morale of the men so employed was always very high, and my department will be pleased when the present seasonal lull in employment is ended, so that we may send our inmates again to these jobs in the outdoors.

The work in the various specialized centres and clinics continued through this year as before, and was expanded in certain aspects.

The Alex G. Brown clinic for alcoholics continued its already fine record, and is still something of a model being copied by other jurisdictions. Having now been in operation for 7.5 years, we are able to assess more definitely the value of the work being done here; some figures may be of interest.

Some 1,898 patients have passed through the clinic to this time. Of these, we have been able to follow 1,200, and find that 35 per cent. of them can be considered as greatly improved, while the remaining 65 per cent. have had 4 relapses or more since the treatment, and have therefore to be considered unimproved.

Perhaps some may argue that 35 per cent. is not a very high record, but I would like you to remember, Mr. Chairman, and through you the hon. members of this House, that many, many of these men, included in this 35 per cent., were little better than derelicts for whom society had given up all hope of reclamation.

The clinic for drug addicts has been more disappointing. It has not been in operation as long as the alcoholics' clinic, and so cannot yet be compared on the same basis. It has been necessary, since I came into the department, to tighten up security measures very considerably here, and we are closely watching the results. It is our intention to continue the work in this field, and we have had conferences to review our findings, to compare them with the experiences of others, and to plot our future course.

We can say with truth at this stage that our experiences in this most difficult field are at least no worse than any others, and are much better than some.

With the opening last June of the new maximum security institution at Millbrook, some of the work previously being done at the neuro-psychiatric centre at Guelph was transferred there. Certain of the sex offenders, and the more difficult psychopathic cases, now go to Millbrook for treatment.

We believe that this unit will be a fruitful field of research. A good deal has appeared of late in the press concerning this institution, and about its part in the greatly improved morale of the inmates of all the other institutions.

I am neither prepared nor in a position to say if this is so or not. I can say, however, that Millbrook is not yet fully occupied, and if its presence is the reason for better behaviour in our inmates, then it was and is a good investment.

As hon. members no doubt know, the new plant for the production of car markers is now located in the Millbrook institution, and is currently turning out plates for 1959. This plant, I am assured, is the most modern on this continent. Other industries are in operation here, and still others are planned, because here, as elsewhere, work is a therapeutic measure.

It may be of more than passing interest to know that, on the day this building at Millbrook was officially opened, more than 4,000 people were present, and I would suggest to every hon. member to make an effort to visit Millbrook, to see for himself something of the work we are trying to do.

It may appear that our only concern is for men in the reform institutions, and that the women are permitted on sufferance or tolerated only. Well, Mr. Chairman, I would be very happy if we did not have to provide institutions for women, but apparently some of the women misbehave just as many men do, so we have to provide some place for them, and they are very much our concern.

It has often been said that we have not tried to do for them what we have done for the men, and for this charge there may have been some justification; of this I cannot judge.

I would point out, however, that some of the criticism, at least, has come out of some lack of knowledge of what we try to do for the women under our care. There is a definite programme at the Mercer reformatory; it is well planned and well accepted.

The total number of women is just over 100, and as a result there is not the diversity of training available to them that there is for men. A fairly large proportion of them, over 60 per cent., have had 3 or more previous convictions, thus coming into the recidivist class, a group for whom training seems to do little.

In the matter of treatment, we have been accused of neglecting the women and not providing for alcoholics and drug addicts, as we have in the case of men.

As hon. members will no doubt recall, prior to my assuming this portfolio, an attempt was made to establish a clinic for alcoholic women on the grounds of Mercer; the results were disappointing; the plain fact was, the women did not want treatment and refused to accept it.

Now, as a country doctor, I would seriously suggest that if the patient does not want to be treated, it is foolish and indeed worthless to force treatment upon her. I wonder if any hon. members ever tried to force a woman to do something she did not want to do?

It may be we will again be able to try this experiment; should that time come, I assure hon. members it will be tried, for we have an entirely open mind on the matter.

This does not mean, though, that nothing is being done at present. Our psychiatrist at Mercer and the director of social work are both doing a good deal of individual work with alcoholics and drug addicts, work which we all believe to be very worthwhile.

A new, small institution, completely open, for selected female offenders, is at present under construction at Brampton, and we expect it will be ready for occupancy during the late summer of this year.

Today I am very pleased indeed to be able to announce the intention of this government to sell the land where the Andrew Mercer reformatory now stands, and to build a new and modern institution away from a densely built-up area. The Department of Public Works is at present looking for a suitable site, and it is my sincere intention to proceed with this matter with all due dispatch.

I know this is no new or original plan; it has been spoken of for years within The Department of Reform Institutions, and was recommendation No. 46 of the select committee of this House submitted in 1954—and I have been tremendously impressed with the need for this action.

I would further advise hon. members that, if I have the honour to remain as Minister of this department, I fully intend to consult—in

the matter of planning this new reformatory—the many women's groups who have evinced much interest in the care of women inmates. I believe that only good can come from such consultation, and I am confident that their co-operation will be forthcoming.

A word on after-care might not be amiss here. Our own parole board continues to serve a useful function, and I believe a very valuable one. During the year 1957, 766 men and 47 women were granted parole. Of this number, 563 men and 33 women successfully completed their parole, while 188 men and 12 women violated parole. This figure, 24.6 per cent. failures, is in keeping with the experience of other comparable jurisdictions.

The rehabilitation officers are conscientious men, interested in their work and in those with whom they work, constantly striving to do whatever is possible in behalf of their charges. Many private, outside agencies are very active in this field too; to some of these we give assistance by way of money grants; with all of them, I believe there is a growing awareness of the need to pool all of these resources so that the most effective results may accrue.

In the department, we have conferences with them, and we hope to expand this idea, since we believe such meetings can be a fertile ground for the exchange of ideas and the exploration of new methods and so on.

One of these agencies, a few months ago, opened a house where post-release women may stay for a time till they have been settled in employment and homes. Such places were also recommended by the select committee; we believe they have definite value.

I want to make some comment on the matter of staff. For the first time in many years, I am advised, the staff of this department is at full strength, with the exception of a few professional personnel. This is an excellent state of affairs, and as a result of better salaries and the shorter work week recently introduced in the service, we can expect and demand higher standards in our staff members.

I would be remiss in my duty if I neglected to say to this House that I have the greatest respect and admiration for the staff of this department. Their loyalty and devotion to duty is remarkable, to put it mildly, and has on many occasions been a source of amazement to me.

Returning to what my hon. friend for York South said about "conflict of personalities and pressures, and confusion of purpose within the department," I have only this to say. I

state with deep conviction that I have been completely unable to find trace of any of these things, no matter how hard I look for them.

I say too, that if anything, I came into the department with a little prejudice. Having heard so much about this sort of thing I felt, in spite of any will or desire to be unbiased, "that where there is smoke, there must be fire." In spite of this, I found a staff dedicated to a task, devoting all their energies to that task.

Of course, there are differences of opinion amongst them, for this is a field in which there are great contradictions and differences of opinion, but there is also a unique singleness of purpose, and to that end all division heads, superintendents of institutions, and others under the leadership of my Deputy Minister are ready and willing to sit down around the table, to discuss their differences, to give and take, and to compromise in order that the work will prosper and go forward. But "conflict of personalities and confusion of purpose," I repeat, are just non-existent.

Now, Mr. Chairman, I believe I have spoken too long already. Till about a year ago, I had no interest in this field whatsoever. At the time of the third session of this Parliament, I developed a faint stirring of interest; about 8 months ago, when I was called to assume the portfolio, I was almost staggered by the immensity of the task and tremendously stimulated by the challenge it presented.

Today, I am more than ever challenged, and I would say to every hon. member of this House that he is engaged in a mighty task through this department of the government. I believe it is the duty of each hon. member to help us develop a growing awareness in the minds of all of our people of this work, because I believe they can help us.

I would urge all of them, as well as every judge, magistrate, Crown attorney, and those of the legal profession who are interested in criminal work, to visit all of our institutions, to see what is being tried and done, and to learn something of the problems we have to cope with.

I am convinced the latter would then be in a much better position to deal more wisely with those whom they have to sentence.

I am proud to mention the great interest of some hon. members in our work; notably the hon. members for Brantford (Mr. Gordon) and Waterloo South (Mr. Myers), both of whom take a very active part in the pro-

gramme of the institutions located within their riding. This is a matter of great satisfaction to all of my officials and is much appreciated.

And I would like to add that I have been very interested to see how many hon. members of this House have taken the opportunity to visit some of the institutions during the present session of the House.

At the outset I stated I would ask this House to vote my department a substantially increased budget. I do so, Mr. Chairman, with no apology, for although I know this is becoming a costly business, I am also convinced that it is quite impossible to put a dollars-and-cents price tag upon any one whom we might be able to reclaim. That, sir, is the greatest task this department has to perform; that was the commission I was given last July—to reform, to reclaim and salvage, to fit again for a rightful place in society.

Mr. D. C. MacDonald (York South): Mr. Chairman, in making some introductory remarks before we consider the individual estimates, I want to begin by saying a word with reference to the former hon. Minister of Reform Institutions (Mr. Foote), who was forced through ill health to relinquish that post last summer.

While he was Minister, I had the occasion to voice some very strong criticisms of the department, and inevitably those criticisms appeared to be directed at him because that is the way British Parliamentary Legislatures operate, the Minister must assume responsibility for what goes on in his department.

But I do want to say, now that he has been forced to relinquish the responsibilities of this department, that on no occasion did I ever doubt his sincerity and his purpose within the department.

By the same token, Mr. Chairman, I think that the new hon. Minister comes in with not only a dynamic and aggressive personality, but with a great deal of vigour, I would acknowledge from the very outset the hon. Minister has the same purpose and the same sincerity.

Having said that, though, Mr. Chairman, I want to reiterate—and I hope I can do it unprovocatively because it remains with me just as firm a conviction as anything that the hon. Minister has said—that despite the hon. Minister's inability to find any conflict of purpose, or conflict of personalities within the department, many people who are intensely interested in this field, and work

in it day to day, emphasize the continued existence of this condition within the department.

And my fear—no, fear is really not the word—my regret is that neither the former hon. Minister, nor this hon. Minister, with his dynamic aggressive approach, is able to alter some of the basic policies of the department.

The hon. Minister has given evidence this afternoon that he accepts the policies that have been emanating and controlling the destinies of this department for some time.

Neither this hon. Minister, nor I suspect any other hon. Minister, is going to be able to alter seriously the kind of policies that have been shaped by those who have guided the destinies of this department down through the years.

Now, to illustrate this, there is a sore temptation, Mr. Chairman, to wander over a great range of the work of this department. I am going to discipline myself, Mr. Chairman, to avoid this and deal with only one aspect this afternoon.

That is, obviously, the most important aspect—the facilities and the capacity and the record of this department in reforming its inmates, since that is its stated objective.

Now, in any modern penal reform institution, there is inevitably a degree of conflict. There was a day, if we go back a few generations, when nobody made any pretence of doing anything within institutions, other than to lock people up and leave them there until the end of their sentence, and then to turn them out into society no better fitted—in fact in most instances more poorly fitted—to take their place within society.

At least in terms of stated objective, that has changed. Now, the conscious objective is not just merely custodial, it is treatment, it is reform. But I do not think we are achieving that.

The hon. Minister, for example, goes to some lengths to say that he can find no evidences of the so-called militarism within the department. Well, I reiterate what I said a moment ago, that the people who are guiding the destinies of this department are the same people as two years ago, and I would remind the hon. Minister, if he needs any reminding, that two years ago a very responsible group of professional people, who work in this field and certainly hold a watching brief over it, made these comments.

I am quoting from a letter from the Canadian association of social workers addressed

to the hon. Prime Minister (Mr. Frost) on February 16, 1956:

Both measures add increasing evidence of the underlying confusion of purpose within the department from the top administration downwards. There is a strong conflict within the department between the punitive and the reformatory philosophies and practices.

and their concluding paragraph:

Ontario has enough of the punitive militarism applied against offenders, it is clearly revealed. It is high time to provide humane and intelligent services for the offenders.

Now, the department in the last year or so has taken the greatest pride in two of its new buildings. It seems to me, Mr. Chairman, that it is somewhat significant that these two new buildings are very high-security, old-fashioned penitentiaries in structure—the one for juveniles at Galt, the one that provoked such heated discussion in this Legislature just a year ago; and Millbrook, where within a provincial institution we have built the equivalent of a federal penitentiary, with all of the securities of a penitentiary.

As I talk to people who are working in this field, both within the institutions and in related organizations, I have heard on a number of occasions and been struck by it, that increasingly it is felt within the institutions that Millbrook is a sort of Siberia to which inmates, or on occasion—as I will deal with a little bit later—even staff, are banished if they do not conform with the rules which are laid down by those who are guiding the destinies of the department.

Just let me try to approach this, Mr. Chairman, basically for a moment. What is required in the treatment programme? I want to suggest there are 3 things required.

First, the professional staff.

Now I must confess, Mr. Chairman, I was amazed at the statement of the hon. Minister to the effect that he feels they have a full staff with the exception of a few gaps at the professional level. I may be wrong in this; I do not profess to be an expert; for my information I go to the people who are experts in the field when I want to get an up-to-date view of what is happening in the department.

The thing that I have heard reiterated, time and time again, is the fantastic lack of professional staff. For example, the hon. Minister said there are 3 full-time psychiatrists. Well, I want to come to this question of psychiatrists

in a moment or so, but I am curious to know who the full-time psychiatrists are, out in the institutions, apart from the head office.

The second group of professional staff which is required, if we are going to implement a programme effectively, is social workers. We may have professional people, psychiatrists and psychologists, who are in effect doing the diagnostic work, analyzing each case, but it is impossible for that one person, a psychiatrist or psychologist, with hundreds of people under his jurisdiction, to be able to follow through in the day-to-day implementation of whatever diagnosis he makes.

It seems to me one must have what might be described as a second group of professionals, who are going to carry that day-to-day programme into effect, namely social workers.

A year or so ago, the department appeared to be heading in the right direction when they appointed a head for the department of social work. I understand that they have sought to find social workers in Canada, and quite frankly—because of the reputation of the department—I am not surprised that they could not find social workers in Canada who were willing to come and work.

Therefore, they have applied in Great Britain, and my information—the hon. Minister can correct me if I am wrong—is that from quite a significant number of applications they have hired the very small number of 6 or 8.

But with the top professional people and this second range of professional people, the social workers, I do not think we should for one moment forget that, if we are going to have an effective treatment programme, we must have a competent, interested and dedicated custodial staff. For every 5 minutes that the professional psychiatrist or psychologist is going to be with the man, or for every hour that the social workers may work with him, the custodial staff is going to be with him a day, or a week.

This custodial staff is still underpaid. I submit that our staff is still underpaid, with the result that they are coming and leaving the institutions with far too great frequency. It is therefore impossible to build up a body of people who are experienced in the field, because no one would deny that it is a field that requires a great deal of experience before they can make their best contribution. I want to cite two examples as an illustration of the failure of the treatment programme. The first one—and I am interested to note that the hon. Minister himself frankly confessed the disappointment of the department—is with regard to the drug clinic.

He indicated, for example, that they are tightening up security measures. I will not elaborate on the full significance of that, as I do not think that there is any point in doing it publicly. I know exactly what he means when he refers to the problem of tightening up on security measures.

But the significant thing, Mr. Chairman, is this: If you want to measure the achievements of this institution in terms of what was set as an objective two or three years ago, when it was established, I draw your attention to the fact that the population of the drug clinic is now about 9 people.

Now, Mr. Chairman, obviously we need a clinic to come to grips with as important a problem as the drug evil, which is part and parcel of the whole problem of inmates and convicts. But with only 9 people in the clinic, that in itself surely is proof of its failure, because I cannot believe for one moment that there are not far more people who could benefit from the kind of programme and the kind of treatment that the drug clinic was established to provide.

Now, the second phase of the department's programme I want to deal with at a little length, because it seems to me that this illustrates, in a very dramatic way, the conflict within the department, and its difficulty in achieving an effective treatment programme.

I refer to the neuro-psychiatric centre at Guelph. Now hon. members of the House, may not be aware of the fact that, last September, the man who had headed the neuro-psychiatric centre, since its establishment in 1955, Dr. Robert Buchner, was in effect fired—or dismissed by the department—and since then he has been carrying on a private practice in the village of Acton.

Hon. Mr. Dymond: Mr. Chairman, may I be permitted to interject something, on an erroneous statement which my hon. friend has just made. I would assure you, I am going to speak further in this, but I would like the House to get this in proper context.

I am saying this with a great deal of hesitancy and with a great deal of distaste. I have made it very clear to this House, that I object very strenuously to the names of people being bandied about in this House who have no opportunity to defend themselves.

But I say that Dr. Robert Buchner, who was on our staff, was not dismissed. I say also that, instead of carrying on an active practice now, Dr. Buchner, while he was a full-time civil servant, contrary to all regulations of the civil service commission, estab-

lished a private practice and referred to our appointment as something providing him with peanuts.

Mr. MacDonald: Well Mr. Chairman, I do not object to the hon. Minister's intervention at this point, but most of what he has said I was going to deal with anyway. I was not going to withhold this. I want to deal with this quite frankly because I think it is a good illustration of how this department operates, and the difficulty of conducting a treatment programme.

Mr. S. L. Hall (Halton): May I interject here?

Mr. MacDonald: No, he may not. Please let me go ahead.

Mr. Hall: Dr. Buchner is a citizen in my riding, and was not fired by The Department of Reform Institutions. I know the gentleman, it is a mistake.

Mr. MacDonald: Mr. Chairman, Dr. Robert Buchner visited both the Liberal party and myself prior to the estimates coming down in this House. I am not saying something—

Hon. Mr. Dymond: And I can tell the hon. member that a great many more people will be visited too.

Mr. MacDonald: Why is the hon. Minister so terribly touchy?

Hon. Mr. Dymond: I am not the least bit touchy. The hon. member does not worry me in the least.

Mr. MacDonald: Then just let me proceed, just let me—

Hon. L. M. Frost (Prime Minister): The hon. Minister is trying to keep the hon. member on the rails, that is all.

Mr. MacDonald: Fine, fine.

Hon. Mr. Dymond: I am not so easy going as my hon. predecessor.

Mr. MacDonald: That was rather an unkind remark. We have heard all the great words of praise heaped on the former hon. Minister and now, unwittingly, this comes out.

Hon. Mr. Dymond: He was worthy of every word of praise.

Mr. MacDonald: I would ask, Mr. Chairman, if I might continue now.

Hon. Mr. Frost: Go ahead. The hon. Minister has been pulling the hon. member's leg,

concerning what he says of his hon. predecessor.

Mr. MacDonald: The hon. Prime Minister need not try to cover up for what his hon. Minister said. He let it out.

Hon. Mr. Frost: The hon. Minister said his hon. predecessor was a very kindly gentleman, but he feels—

Mr. MacDonald: The hon. Prime Minister is trying to pour oil—

Hon. Mr. Frost: The hon. Minister says that he is tough.

Mr. MacDonald: Now that the part-time hon. Minister of Reform Institutions has spoken, in addition to all his other part-time jobs and his 3 full-time portfolios—

Hon. Mr. Frost: That is right, we have a tough man here.

Mr. MacDonald: It is obvious, Mr. Chairman, that they do not want this to get out. Let me say, that if I have to stand here until 5.30 tonight, it will be said.

Hon. Mr. Frost: Let the hon. member get the facts.

Mr. MacDonald: I have the facts. All right then, just let them calm down a little, the touchiness which one encounters when a little bit of the dirt swept under the carpet is going to be revealed—

Mr. Chairman: Go ahead.

Mr. MacDonald: Thank you, Mr. Chairman.

Dr. Buchner came and spoke to the official Opposition, and he came and spoke to me, so that we could be informed of the situation that led to his departure from the department.

I repeat that I cite his case as an instance because it reveals the basic problem of developing an effective treatment programme within our institutions.

Dr. Buchner was sought out from private practice at the Lakehead in the year 1955, by Dr. Van Nostrand, who became head of the department of neurology and psychiatry, and he was asked to come down and head this new centre at Guelph.

This centre, or clinic, was a new development within reform institutions, a clinic where they tried to find what contributions psychiatry might make to the assistance of inmates to fit them back into society.

Dr. Buchner says that in all the efforts to establish this centre on no occasion was

there any attempt on the part of Dr. Van Nostrand, or other people in the department, to sit down and work out procedures as to how this new centre would operate. He was put in charge; it was a new field, and in this new field he was to proceed experimentally, to try to achieve what could be achieved in this application of psychiatry to the field of reform.

His work, as he points out, was patterned on the Belmont rehabilitation centre in Sutton, England, where there has been some good work carried out for many years. He attempted to duplicate that kind of work within the Canadian pattern, or the pattern of the Guelph reformatory.

Perhaps it should also be emphasized that, at the very outset, it was clearly stated—and this I think was understood by all—that the neuro-psychiatric centre would be established as a separate institution, working along with the reformatory, but as a separate institution, because it was a treatment centre rather than a reformatory.

Now in this treatment centre, Mr. Chairman, I am not going to go into details of the kind of thing that Dr. Buchner attempted to do, because some of it is technical. But I think it is interesting for a moment to get at least some sort of a glimpse of the work.

The inmates were brought in, having been convicted for a great variety of crimes, and Dr. Buchner from the very outset would present the inmates with a statement of the clinic's purposes. It is a very interesting thing to read here.

Hon. Mr. Dymond: I have read it.

Mr MacDonald: I know the hon. Minister will have read it. His approach was that these people should be assisted in trying to see the problems involved in their emotional difficulties, in their warped approach to life, and in seeing and understanding themselves more clearly.

In conjunction with the others through group therapy, they were helped to understand themselves more fully, and therefore be able to develop the degree of self-discipline that is required to live in society.

He did a good deal of experimental work in connection with—and this is a word that always floors me—electroencephalograph tests on inmates, the kind of test that is applied in many fields where there are mental derangements or emotional disturbance.

He applied this within this field, and came up with results that appear, in a highly

experimental field, to be extremely interesting and important.

For example he developed group therapy so that the men, instead of sitting around and whiling away in idleness the hours of the evening, would meet in one of the rooms as a group. They would talk their problem through, they would put it on a tape recorder, and they would play it back, and discuss each other's problems.

In a moment I will give a few indications of the kind of help that this provided for inmates, in giving themselves an insight to their problems, and therefore taking the first step towards being able to master those problems.

Now, for a few other comments with regard to the neuro-psychiatric clinic, and its work during the time that Dr. Buchner was there, I want to quote briefly from a couple of documents that Dr. Buchner has given me. He showed them to me, and I read them through, and I asked if I could have them for purposes of discussion in the House and he agreed.

One of them is a report which apparently he had prepared for the former hon. Minister of Reform Institutions just before he resigned, and in effect it is a report on the work of the centre. The second one is a letter that was addressed to the hon. Prime Minister but I think this will give the House some idea of this centre and how it operated.

I am quoting from Dr. Buchner's report:

The neuro-psychiatric centre, as you are well aware, is a new venture, and there are few if any guides to help us. Contrary to what seems to be believed in some quarters, it is not a mental hospital, and the treatments generally used in institutions are not suited in this setting, for our patients are not certified. Indeed they are not ill in the accepted meaning of the term.

Consequently, I have had to improvise, and to think out methods of treatments, and in doing this it has been necessary to examine even the psychological basis upon which the work should be based.

In the reformatory, the inmates are controlled and made to behave themselves, but when they are discharged they do not take their guards with them, and, not having been taught to be responsible for their own actions, they consequently are not better equipped as a result of their stay in the reformatory to behave themselves once they are returned to society.

Indeed, there is a good deal of evidence to suggest that they are far from being better equipped to adjust themselves to society as a result of their stay in the reformatory. The inmates are in fact less capable of adjustment. This opinion is supported by the published views of quite a few eminent authorities.

In the neuro-psychiatric clinic, the emphasis is on teaching the fellows—

Mr. Chairman, in light of the objective set out by the hon. Minister himself, I want the House to note this.

—the emphasis is on teaching the fellows that they are individually responsible for their own conduct, and that if, in the future, they wish to enjoy the advantages and privileges of freedom, they will have to learn to conduct themselves in a fit and proper manner.

They are taught that they can become responsible citizens only if they understand the reasons for their conduct, and they are given the opportunity of acquiring such insight by being provided with suitable literature, by being shown films that illustrate how certain life experiences determine certain forms of conduct, by lectures, and by being allowed to hold group meetings in the evenings, in which they tell the stories of their lives and have the chance of discussing with others the reasons for their acting as they have done.

They undergo certain tests that reveal their interests and their aptitudes, and the results of these are communicated to the inmates, so that they will know the line of work in which they are most likely to succeed.

The programme is founded basically on the work being done at the Belmont rehabilitation centre in Great Britain.

Dr. Buchner goes on:

Finally, the inmates are treated here as responsible human beings, for it is evident that no one can be expected to act as a responsible person unless he is treated as one. Yet even this simple and easily understood philosophy has not only been much maligned and misrepresented, but has even met considerable opposition from quarters from which one might expect support.

There are numerous instances. There was the matter, for example, of the closing of the doors in which inmates were

meeting at night for discussions. These meetings had been going on for 12 months, and during the time the doors had been closed.

I presume, Mr. Chairman, without any untoward developments.

Yet once again without ever consulting me, orders came from Toronto that the doors must remain open. It was not a question as to whether the group discussions could continue with the door open, but rather the fact that this decision was made without even asking me what I thought of the matter.

In other words, here is another example of an officer of the department, who was carrying out a treatment programme and found this treatment programme gradually stifled within the custodial pattern that was laid down by the policies of those who guide the destinies of this department from Toronto.

Dr. Buchner continued:

Ever since I have been in Guelph, things have been managed in this way. Orders have been issued without my being informed, inquiries have been started without my knowledge, and investigations have proceeded without my being consulted. Yet, despite this constant interference, it had been made clear time and time again, that if anything went wrong in the centre, I would be held responsible.

Now, I ask you, Mr. Chairman, how could any man operate a treatment programme, for which he has been given full responsibility, in that kind of an atmosphere?

I want to read a few more paragraphs that add further to this report on the neuro-psychiatric centre. In the letter that Dr. Robert Buchner wrote to the hon. Prime Minister on October 30, 1957, and to which he has yet to receive a reply, he said:

The neuro-psychiatric centre at Guelph, the first of its kind in Canada, was opened in June, 1955. The purpose of the centre was to discover whether psychiatric treatment could help prisoners to readjust socially. From the very nature of the work, the task of running the centre was not an easy one, but it has all along been made more difficult by the constant and repeated interference from my superiors.

Major Foote was most helpful, and encouraged my efforts, but neither Colonel Basher nor Dr. Van Nostrand have done anything but obstruct the work. For ex-

ample, difficult though it may be to believe, Colonel Basher has, on more than one instance, interfered with the working of the centre without even discussing the matter with me, and Dr. Van Nostrand, although he has never had experience in the criminal institution, has never inquired about the principles upon which the neuro-psychiatric centre was run.

Despite the difficulties, however, the centre proved a great success, so that when the meeting was held about a year ago to discuss its future, it was unanimously decided that it should continue, even after the psychiatric unit at Millbrook had been opened. Both Colonel Basher and Dr. Van Nostrand were at that meeting.

Since that time, the centre has continued to function, and has developed steadily in its usefulness. The superintendents have expressed their appreciation of the help they have received. The press have written about it enthusiastically on several occasions, and recently a number of magistrates have commenced to recommend prisoners as possibly suitable for the psychiatric treatment in Guelph.

However, this programme has failed to impress either Colonel Basher or Dr. Van Nostrand. Instead, they have made steady and persistent efforts to impede the work of the centre and reduce its importance.

At the time the department was being attacked in the press for its reactionary methods, Major Foote invited the press to visit any of the institutions. Several reporters visited us and wrote very favourable articles about the centre.

When, however, a lady visited the centre for the purpose of preparing a broadcast on it, Colonel Basher and Dr. Van Nostrand would not allow her to proceed, even though Major Foote, who had taken ill at the time, had approved of the project.

Indeed, Colonel Basher's attitude was quite dictatorial and most insulting, and he quite forgot that, while respect is due to his position as Deputy Minister, as a professional man I can also be expected to be treated as a responsible person.

But while Colonel Basher's attitude was unsatisfactory, Dr. Van Nostrand's was even worse. For although I had had the approval of the Minister, Dr. Van Nostrand treated the matter as though a serious breach of discipline had taken place, and instituted an inquiry conducted with the show of a "star chamber."

It had been obvious all along that neither from Colonel Basher or Dr. Van Nostrand could I expect to obtain anything but opposition, and it was not surprising, therefore, that once Major Foote's influence was removed, they should set about trying to obtain my dismissal, and as might be expected of them, they employed devious and underhanded methods to do this.

Dr. Van Nostrand produced a report in which he recommended that all serious sex offenders be sent to Millbrook, and as that would mean removing approximately one-third of the patients from the neuro-psychiatric centre, I should be transferred to Millbrook. If I refused to go they had only to refuse my entry to Guelph and I would then be out of the way.

Dr. Van Nostrand did not say that sex offenders varied, in degree, from the most serious of criminals to the mildest, and where some of them would be suitable for treatment at Millbrook, the majority undoubtedly would not. Neither did he admit that the accommodation at the Millbrook psychiatric unit could not possibly hold all prisoners in the department held on charges of a sexual nature.

Most important of all, he did not mention that at Millbrook the prisoners would be in separate cells, and they would not be given group therapy, a procedure which—without having seen it—both Colonel Basher and Dr. Van Nostrand thoroughly disapproved, and which, even though it is acknowledged through the world as the most modern and the most successful form of psychiatric treatment, they are determined to stop.

It was not mentioned in Dr. Van Nostrand's report that if I was transferred to Millbrook, Guelph would be left without a psychiatrist. Such a thing did not bother either of these men. They were fully prepared to sacrifice all the good work done, and the goodwill established, in order to achieve their ends.

The position now is that the neuro-psychiatric centre, which less than two months ago was a flourishing institution, filled with 25 enthusiastic patients, all of them anxious to co-operate in their own rehabilitation, is a now forsaken building, holding, when last I heard, about 4 inmates.

It seems that these two arch reactionaries have succeeded only too well with their schemes, but I am not entirely unhelpful for the situation.

These comments were made by Dr. Buchner when he wrote to the hon. Prime Minister last October.

Now, I want to turn for just one minute Mr. Chairman, to quote a few examples of letters and comments from inmates. I took the trouble to discuss with a person who is active in prisoner aid work—after I had heard something of this development—to find out what is the reaction to the kind of experimental work that Dr. Buchner was doing.

The reaction was rather an interesting one. They said, in the first instance, as the hon. Minister of Health (Mr. Phillips) observed recently when he was talking about psychiatry in the field of mental health, that a good deal of this is experimental, and therefore its results must be treated as tentative. But, they added, surely the most conclusive proof that it was a good venture, heading in the right direction, was the increasingly widespread approval among inmates. Many of them stated that of all the experience they had had in the various institutions, this was the one that had done the most to help them.

Just to document that sort of general statement, let me quote from two or three of the reports of people who went through the neuro-psychiatric centre in Guelph under Dr. Buchner's direction.

But first let me say that Dr. Buchner used CO₂, or "laughing gas" as it is more familiarly known, to relieve tensions and to assist men to try to get a clear picture of themselves.

I quote the end of one report:

In closing my report, I wish to say that, if it had not been for the marvellous man, Dr. Buchner—his gas treatments are above reproach, the clinic library, and last but not least, the group therapy with its tape recordings—I would never have made the substantial progress which I know I have.

My last comment is that, of all the places that I have tried to get help, this clinic has done the most good.

Here is a comment, for example, from a couple of people who left the centre:

We have decided to write and express our sympathy over the general mix-up at the clinic.

This is after Dr. Buchner left:

You have helped so many of us over the rough hurdles of our lives that it is only natural that we feel a little bitter toward those who have been instrumental in your departure.

Here is another one:

The tape recorder is an excellent idea. As a matter of fact, I have nothing but the warmest praise for the clinic. It is a step in the right direction, and shows positive thinking on a subject that hitherto archaic thinking and procedure had contributed enormously to the problems confronting society today.

And here is one which I would like to read, because it obviously comes from a person who had very little formal education but faced this problem and recognized what kind of assistance he had gotten from the clinic.

In leaving here, in words I could not explain because I ain't got much schooling but for a long time I needed this treatment and I guess I knew it. You were a wonderful man, sir. Mr. Sunday also is included as one—

Mr. Sunday, incidentally, is the psychologist at the clinic.

—who is concerned with this wonderful clinic. Some people say it is a rest home. Maybe they should look a little deeper and in a way it is so, because when a man is run down to rock bottom, they certainly need a rest, but they forget that it is peace at mind before they can ever feel rested.

A rather interesting thought, despite its rather laborious presentation:

In finishing, I would like to see more people take an interest in the clinic here, because sincerely I believe that there is no man, woman or child who have given the opportunity of learning more about themselves, like I have been taught here in this place, it would be a better and a bigger world to live in.

In closing I would like to bless you all very much on your kind and generous people who have given the consideration that I have received. God bless you sir,

and so on.

Now, here is obviously a spontaneous expression from a very thankful person, who after years, got the kind of help from this clinic that he had always sought.

And finally, may I read this one:

When I came to this clinic in June, it was not with the idea of being helped as I thought there was no help for a person like me. I just felt like I wanted to kill

myself and end my life of misery. I think my main idea there was just to get away from the reformatory atmosphere.

Previous to coming up here, and for about one month after, I was scared to talk to anyone, and had violent nightmares every second or third night. I was tense, irritable and wanted no part of the treatment as I thought it was nothing but a lot of junk. I also had severe headaches and could not eat because of an upset stomach. All in all, I was in very bad shape, both physically and mentally.

After a while, I began to look around, and what I saw was really a surprise to me. You could see the fellows really trying to help each other solve their problems so that they would be able to cope with them when they were released.

I know it will be no easy matter, but due to the wonderful guidance of Dr. Buchner and the group leaders, I know I will make it. I will never find words enough to express my thanks, so I can only hope that I will find it in the way of life I will lead from now on.

Now, I say to you, Mr. Chairman, that I have quoted a few of these because they documented the general assertion I got from people in the prisoners' aid field, that this is the reaction from a growing number of people who have gone through this centre.

It leaves me deeply puzzled, Mr. Chairman, not only puzzled, but confirmed, I repeat, in my original conviction, that basically nothing has changed in this department, in this conflict between the attempt to establish an effective treatment programme, within a militaristic kind of custodial programme.

Instead of giving a degree of flexibility to a man who was hired for the purpose, the work of this neuro-psychiatric centre was gradually stifled with these custodial rules until it came to an end, and the person in charge of it has left.

Now, the final comment I want to make, particularly since the hon. Minister interjected on this, is that I know there will be many reasons advanced as to why Dr. Buchner went. One of them was that he was carrying on a private practice, part-time in Acton, while he was in the clinic.

Now, Mr. Chairman, if the hon. Prime Minister and the hon. Minister think they can get psychiatrists, who are going to do a job in the department, for \$6,000 when they can go out and get \$20,000, \$25,000 or \$30,000, and deny them the right to other means of

earning a living—as thousands of civil servants do and the government knows it—if they think they are going to deny them the right to do other work, when it is not encroaching upon their official duties, then they will never get the necessary number of professional people to do a job within the department.

At best, they are going to get the second-rate people who will come in because it is an easy and a comfortable and a cosy place to be.

I just want to read, in conclusion, from a letter of August 14, 1956, when some of the first protests were made with regard to Dr. Buchner carrying on an outside practice.

The then superintendent, G. Wright, wrote a letter to the Deputy Minister, and this is what he said:

The director of neurology and psychiatry has drawn our attention to the fact that Dr. R. D. Buchner is maintaining a small private practice in the village of Acton, and requested that this matter be clarified with the doctor in the department.

Dr. Buchner has advised us that the department has been aware of the private practice for some time, and he has been awaiting the Minister's pleasure in this matter.

The director of neurology and psychiatry has also mentioned that Dr. Buchner does not report for duty until 10 o'clock in the morning. This is quite true, but on the other hand, the doctor works every Saturday afternoon, and visits the institution virtually every Sunday for at least 3 or 4 hours.

Obviously he did not fit into the militaristic pattern and so difficulties were arising.

I continue to read from Mr. Wright's letter:

He has never hesitated to return to the institution in the evening, and he has done so on many occasions. We must accept the fact that Dr. Buchner is giving far more time to his institutional work than he is being paid for. We have received no complaints from the medical profession in Guelph, or anywhere else, pertaining to Dr. Buchner's work in his off-duty hours. He is forthright and, with rare exceptions, extremely popular with both staff and inmates, and we feel that every effort should be made to retain his services.

Well, something less than two years later, Dr. Buchner has been dismissed from the department, and I suggest to you, Mr. Chair-

man, that his leaving is just one instance of a very lengthy succession of evidence that might be given of this continuing conflict within the department, and therefore of the limitations of an effective reform and treatment programme.

For that reason, I repeat what I said last year, that a great deal of money, which we are going to vote on today on these estimates, is going to be so much money down the drain, because it is not going to be as effectively used as it might be in a reform programme that will return to society inmates who are fitted to live as free citizens, instead of becoming another addition to that sad line of graduates from training schools through the reformatory and eventually to the penitentiary.

Hon. Mr. Dymond: I have listened, as all hon. members have, to the usual outburst of my hon. friend. I am very, very disappointed that this matter of Dr. Buchner came up at all, but not for the reasons that my hon. friend will very doubtless assume. Nothing has gone on in my department within the last 8 months that I am the least bit afraid to bring out on top of the carpet. There are no dust particles swept under the carpets of this department in the past 8 months, nor do I believe there were in the previous 5 years.

When I said to my hon. friend that he would find me a little less easy-going than my predecessor, I should have added insofar as he is concerned, or anyone who makes these spectacular, fantastic and sensational charges against what is being tried in this department.

I would like to say at the outset, that all of these people who take the attitude that my hon. friend does, to the work we are doing in my department, are doing the most dreadful harm to the work we are trying to do, far more than all of the militarism that he infers is going on in the department.

He pretends to shed his great crocodile tears about these poor creatures. He mentions 5 letters, I believe. I received the letters too, and I read all of them. He mentioned 5 letters. I find that nearly 700 patients went through this clinic. Five out of 700; 5 dissatisfied out of 700.

I would say that, judging the type of person and the quality of the disease, I think that shows an excellent record.

May I, before I say anything further, say something concerning my hon. predecessor, a man for whom I have always had the very greatest respect. This is rather difficult for me because I am not built to flatter or to say nice things about people. I like to call a

spade a spade, I like to say the things I mean. I would rather tell him what I think of him in private, where I believe my sincerity would be appreciated and accepted.

But since the hon. member has mentioned it, and since he has read something into my remarks which was never intended, then I want to say it before this House.

My hon. predecessor, despite the fact that the hon. member for York South browbeat him through two sessions, to my knowledge is a man whose shoes he will never be worthy to unloosen.

Mr. MacDonald: Why does not the hon. Minister deal with the issues?

Hon. Mr. Dymond: I interrupted the hon. member only once, to put him straight in his facts. If he will kindly extend to me the same courtesy, he can rebut what I say afterwards.

Mr. MacDonald: The "issue".

Hon. Mr. Dymond: Now we come to the matter of Dr. Robert Buchner. Again I must say that I am very dissatisfied that this ever came up on the floor of the House. If my hon. friend had come to the department, and come to me, I would have been pleased in confidence to show him all the correspondence that has passed between Dr. Buchner and my department. I have copies of all of those letters.

The hon. member says he did not receive an answer to a letter he sent to the hon. Prime Minister. The hon. Prime Minister sent a letter to my department for acknowledgment—it was acknowledged—and I not only wrote to Dr. Buchner, but I met him in my office and discussed the matter fully with him. He left my office quite satisfied, apparently, although I knew perfectly well, when he left my office, where he was going. In fact, I almost gave him the hon. member's address.

May I read this statement concerning Dr. Buchner, Mr. Chairman?

First of all I would like to point out that Dr. Buchner was not taken from private practice at the Lakehead. Dr. Buchner was a medical officer with The Ontario Department of Health at the Lakehead hospital. He was seconded to us from them because we were in need of someone with some psychiatric training to take over this job. He was not a specialist in psychiatry, either when he came to us, while he was with us, or when he left us, and to the best of my knowledge he is not a specialist in psychiatry today.

Mr. MacDonald: Why did The Department of Reform Institutions put him at the head of the psychiatric clinic, then?

Hon. Mr. Dymond: I had nothing to do with putting him at the head of the psychiatric clinic.

Mr. MacDonald: Well whoever did it. Why malign a man for not being a specialist? He did the work.

Hon. Mr. Dymond: I am not maligning a man. I am only telling my hon. friend, and this House, the facts concerning Dr. Buchner.

Mr. MacDonald: That is right.

Hon. Mr. Dymond: My hon. friend brought them out, and I am going to put them on the table as they are.

Dr. Buchner tried his specialist examinations twice and failed, and probably a third time. That is nothing against the man. We say to hon. members today that Dr. Buchner was a very able man, he contributed greatly to the Guelph psychiatric centre during its first two years of operation.

On the other hand, he was not a good administrator.

He could not be appointed professional head of the centre, since he failed to achieve specialist rating by the Royal Canadian college of physicians and surgeons. He tried the examinations and failed.

Yet he has openly resented criticism and direction by the consultant psychiatrist to the centre, and by the director of neurology and psychiatry of this department.

Now Dr. Glenn Burton, who is the consultant in Guelph to our department, is an outstanding psychiatrist whose opinion is sought by courts across the length and breadth of this entire nation. Our own director of psychiatry is a man with tremendously wide experience, who has been in the administrative and clinical end of psychiatry all of his active professional life. His opinion is highly regarded; it is sought not only in Canada but on the other side of the border as well.

Although repeatedly requested to organize regular staff rounds, a thing that every well organized hospital or clinic does, or staff conferences, in order to weld the professional staff into a therapeutic team, Dr. Buchner resisted this throughout the whole of his service with the department.

When the centre had been in operation for two full years, he was requested to submit to the director of neurology and psychiatry

a statistical report covering this period, and the summary of results of treatment. When no report was forthcoming, and a second request was made, Dr. Buchner stated that he had no time because of the pressure of work, yet he was all the while conducting a private practice.

During this period, he admitted building up a private practice without consent of the proper authority to engage in gainful employment outside the department. He permitted certain inmate patients to wield authority over other inmates, a thing that can never be tolerated in a correctional institution.

Mr. MacDonald: Why not?

Hon. Mr. Dymond: Let the hon. member use his common sense. Some of these were sex offenders serving sentence for serious offences. This practice was discontinued only after a direct order from head office. He encouraged closed evening group sessions, conducted by inmates from which staff members were excluded, on his instructions. Since these groups included some seasoned sex offenders past middle age and some young first offenders, these sessions should never have been tolerated.

When the reformatory superintendent insisted that the duty custodial officer must have access to all parts of the institution, in order to prevent irregularities and maintain custodial precautions, Dr. Buchner told him in effect that it was none of his business, and that he was responsible only to the Minister.

The closed sessions were discontinued only following a direct order.

He permitted non-medical individuals, and groups including representatives of the press, radio broadcasters, and so on, to witness therapeutic procedures which rendered the patient temporarily irrational and not responsible for his words or actions.

Mr. MacDonald: What is wrong with that?

Hon. Mr. Dymond: If the hon. member knew anything of the ethics of the medical profession, he would know immediately—

Mr. MacDonald: They are even showing the birth of babies today on television. Why does the hon. Minister not get up to date?

Hon. Mr. Dymond: You know, Mr. Chairman, my hon. friend presents himself as an expert in every field of endeavour.

Someone told me a little while ago that expert was derived from two words, "ex" an unknown quantity and "spurt," a drip under pressure.

Mr. MacDonald: Well, give the hon. Minister a chance to work it out.

Hon. Mr. Dymond: He permitted non-medical individuals to witness these therapeutic procedures, and in the opinion of the director of neurology and psychiatry, these contravened the code of ethics accepted by the members of the Canadian medical association up to the present time.

This practice was stopped only by a direct order from the reformatory superintendent, which directed that all visitors to the neuropsychiatric centre were to be refused admission until they had been cleared by this office.

I would like to point out, in regards to the press, the radio and the TV people, they have co-operated with us 100 per cent. When they asked for reasonable privileges they have been granted them, and they have been very studious in carrying out our instructions, and the main instruction is that no inmate should be identified or indentifiable. If pictures are taken, and they have been permitted—hon. members will find them in this report which, besides being in this House, will go out to the public if it so desires, but no inmate can be identified from his picture.

To let the people go into the room where a patient was lying on a table, having the CO₂ gas administered we do not believe is ethical, insofar as the medical profession is concerned. I for one, whether it be old fashioned or modern, cannot tolerate it so long as I am Minister of the department.

He tells us that Dr. Buchner has given him all this documentary evidence. I would just point out in passing that this is a further direct breach of the oath of his office, on which I saw Dr. Buchner's own signature.

Where my hon. friend gets this militaristic pattern, or where he gets this idea of a militaristic pattern from the custodial staff, I cannot understand.

I attended, as one of the first duties after I came into this department, the American congress of corrections in Chicago, and had an opportunity there to speak to a great many people on this matter of discipline. I believe that it is a misguided conception shared by a great many people all over the world, that discipline and militarism are almost synonymous terms. This is not so.

I want to say that, after I came home from that congress, I had the privilege of also going to two Canadian federal institutions.

In one there was no hint of discipline whatsoever. In one of the workshops I never saw such a mass of chaos in all my life.

Inmates were "slopping around" and loafing about all over. Machines were running, material was strewn all over the floor and over the benches. If I had not known that everything was peaceful and quiet, I would have wondered if a riot had been in progress.

I went to another one a short time later, where military discipline is enforced, where the inmates come up to attention when they meet the superintendent of the institution, where every guard salutes the superintendent of the institution, and I commented on it. What was the reaction to it? I asked. How much trouble did the superintendent have? He assured me, and he was prepared to show me records to prove, that they had not any trouble of any serious nature whatsoever, that this apparent militarism was neither resented nor was it complained of.

Now, we do not have that in our institutions, Mr. Chairman, there is no suggestion of militarism. Just because my Deputy Minister was a soldier does not mean to say that he is militarist now. I too, was a soldier, although I never was a soldier like the Deputy Minister and never could hope to be. But, as I have already said, I believe in military discipline.

However I am not going to take it into the affairs of this department. If it is not there now, I do not intend to introduce it so long as I am the Minister, unless something happens to make me change my mind, and then I will not hesitate to bring it in, but that "something" has not happened yet, and I do not anticipate it will.

Dr. Buchner's whole attitude in this, sir, reminds me very much of an old Scotch saying, "They are a' oot o' step but our Jock," meaning "everybody is wrong but me"; or, as the Quaker said to his wife: "The whole world is odd but thee and me, and sometimes thou art a little queer."

Mr. Chairman, Dr. Buchner is one member of our professional staff. He speaks of group therapy, he believes in group therapy, but every physician and every psychiatrist does not believe in it; we did give him a chance to work it out. We gave him two years in which to submit a report, and not until Dr. Buchner had been out of our employ for nearly 4 months did I, as the Minister of the department, get one scratch on paper of a report.

Dr. Buchner was told, when he was brought down to do this job, that it was something in the nature of an experiment. I do not know then, whether the director of neurology

sat down with him and tried to work out a scheme, but—knowing the director as I do—I would hazard a guess that they discussed it fully. I do know that the centre was kept very much under the watchful observation of the director of neuro-psychiatry.

But suppose he had not. Dr. Buchner admits himself, at the outset of his report, that he was patterning his work, at Guelph, on what he believed to be an established pattern, at a hospital or an institution in Great Britain, and told the director of neuro-psychiatry, in whom we have every confidence: "What do you know about this business? You do not know anything about what you are talking about."

Our director has been a psychiatrist all his professional days, and was considered the leading psychiatrist to the Canadian overseas forces during World War II. Yet this gentleman whom we had, an untrained psychiatrist, had the audacity to tell the director in my office that he did not know anything about what he was talking about.

Mr. MacDonald: I do not know that he does.

Hon. Mr. Dymond: That is the hon. member's opinion, too. I do not share it with him, and I think I am in a little better position to judge his ability than is the hon. member.

Mr. MacDonald: On the basis of his letter to me two years ago—

Hon. Mr. Dymond: May I say to the hon. member that that letter was a beautiful diagnostic missile, and I believe if the hon. member went to a high-priced psychiatrist, he would not get any better. But I want to tell him also—

Mr. MacDonald: The hon. Minister is reflecting on himself that time, so let him just be careful.

Hon. Mr. Dymond: I am not a psychiatrist.

Mr. MacDonald: That is right.

Hon. Mr. Dymond: I want to say to the hon. member that I think there are 5 or 6 letters which he got from patients that do testify to the value of the work, and about that we are very happy. Dr. Buchner was there to do a job of work, and if his methods produced fruitful results, all right.

But Dr. Buchner was told, quite contrary to what he told the hon. member, that a conference was held after Millbrook was opened, and that his work was to be moved to Millbrook.

Millbrook was opened before I came into the department. When I was looking over this file, one of the first letters I read was one stating that on June 5, 1957, Dr. Buchner had been advised that his work was being transferred to Millbrook as soon as it was ready for occupancy, and apparently—I have no documentary proof of this, but Dr. Buchner did not deny it when I faced him with this—apparently at that time he had verbally agreed to go to Millbrook. Yet when, at the end of August I believe it was, someone told him in passing at Guelph that he would very soon be going to Millbrook, he said he was not going near Millbrook or some words to that effect.

I want to tell the hon. member that I called Dr. Buchner into my office in September or late August, and discussed this whole matter with him. I pointed out to him that I saw no reason for changing the policy, that the work would be transferred to Millbrook as had already been planned, as indeed had apparently been considered when Millbrook was first planned.

Dr. Buchner told me then, of course, that he did not want to go to Millbrook, that he was not going to Millbrook.

I pointed out to him, after some further discussion, that I presumed he would understand that meant his usefulness to this department had come to an end, but that if he wanted to reconsider the matter he still was at liberty to do so.

We gave him two weeks to reconsider it, and then he told us that he had no intention of going to Millbrook. I, therefore, issued an order that Dr. Buchner was to be allowed his holiday time, accumulated sick leave, and so on and so forth, and would be refused further admission to the neuro-psychiatric centre at Guelph, except to gather up his personal possessions. This was done on my order, and I felt I was doing the right thing.

I would like to say that I did not take this stand without discussing it with the senior officials in my department, and without giving it a good deal of thought and consideration. But the responsibility rests on my shoulders and I am prepared to take that responsibility.

When he wrote to the hon. Prime Minister, his letter was sent to me, and in acknowledgment I sent a memorandum to the hon. Prime Minister, pointing out to the hon. Prime Minister that Dr. Buchner could still reconsider his position, and still go to Millbrook where the work was being conducted.

He tells the hon. member that the work cannot be done at Millbrook, that it is a closed institution. I want to tell him that

that opinion is not shared by the majority of those engaged in correctional psychiatry.

I discussed this matter very fully in Chicago and the medical people there, and the majority of psychiatrists and psychologists there, agreed very firmly that this sort of work could be carried on in a closed institution; that therapy can easily be carried on in a closed institution.

If group therapy is not already being carried on at Millbrook, they are about to start the experiment once again—it was suspended only because of the fact that we have not had enough cases with whom to start. The hon. member says there are only 5 or 6 patients in the neuro-psychiatric centre at Guelph.

I cannot give the exact figure at the present time. But I do know that the population was reduced tremendously because we were convinced, on investigation, that Dr. Buchner was keeping those patients longer than was necessary.

Hon. members have heard in this House, time and time again, in the last 3 sessions, the cry for extra hospital beds. And it is the same with psychiatry. In fact, I think it is poor psychiatry to keep a patient confined to the hospital when the most effective term of treatment has passed.

We spoke about it several times to Dr. Buchner and urged that he cut down the stay in hospital; many of these patients could be treated on an out-patient basis and, were they in private life, they would be treated on an out-patient basis.

That is what we are doing today. We have very few in-patients, but we have a greatly enlarged out-patient clinic, and I believe the psychiatrists and psychologists now in attendance at the neuro-psychiatric centre at Guelph are doing an excellent job of work, and we believe that the results will be equally as good if not better than those of Dr. Buchner.

I must admit that I still cannot decide in my own mind what the hon. member means by this conflict of personalities. I cannot find it. I grant that he read an article written by the social workers' society of two years ago, and I am perfectly prepared to accept their opinion, but that was their opinion at that time. I wonder if they still have the same opinion today.

Perhaps they have, but once again, as I pointed out to the hon. member, this whole business of human relations is a tremendously vexing problem. Many of these people, as far as their behaviour is concerned, have shown that they have no intention, desire

or will to conform to what we accept as a normal pattern of behaviour. We cannot treat them exactly as normal people.

But I want to tell hon. members this is the one basic thought motivating every action of my staff; that every one of those people—man, woman or child—is a human being and must ever be treated as such.

The hon. member speaks about the militaristic attitude as represented by my valued and loyal Deputy Minister. I want to tell you, Mr. Chairman, that I doubt if there is one person in my department more deeply, or more seriously, or more sincerely concerned about the welfare of those people, committed by the courts to our care, than is my Deputy Minister, and I will not only resent but I will withstand any accusation made against him to that effect.

The hon. member says we lack the facilities or the capacity to do the work. Only yesterday I was called out of this House to answer a call from a member of the Manitoba Legislature; yesterday afternoon they were discussing our system in the Manitoba Legislature, and it was being highly praised, and when someone stood up to condemn it, this member came immediately to the telephone and called to get first-hand information about it.

I have not had a letter from him, but from what he said on the phone, he was staggered at the immensity of the performance that we have accomplished so far.

I said, when I presented my report concerning the jails, reformatories and industrial institutions, that we have not made the progress that we would have made, that we are still short of professional staff. The ones we need most are the social workers and they are coming to us.

I am not the least bit ashamed, Mr. Chairman, to tell you or any hon. member of this House that we cannot get social workers in Canada. It is a new science, and there is such a scarcity of them that every agency employing them is crying out for them today. In fact, in the after-care agencies, there is quite a lot of friendly rivalry even to the point of the organizations to whom we are providing money grants, who are paying higher salaries to the social workers than we ourselves can afford to pay, or higher than has been laid down by the civil service association.

But we are not the only agency short of social workers. The children's aid societies, hospitals, all of these agencies which use social workers, find them almost impossible

to obtain. Regarding psychiatric social workers, the psychiatric hospitals find the same problem. The Department of Health cannot get nearly enough.

So bad has the situation become that we have seriously considered asking the civil service to review the classification and see if they would not accept outstanding personnel, or personnel with outstanding capabilities already within our staff, to whom we could give specialized courses of training.

But I pointed out, and I thought I made it very clear—I am not making any excuse for it—I am not built to involve this province or this government in costly expenditures which within a few months may be of no value to the province whatsoever. If hon. members have read the Fauteaux commission report—and I am quite sure they have—they know the commission has recommended that the federal government take over the care and custody of every prisoner sentenced to a term greater than 6 months. That would completely decimate our set-up at the present time.

Now, Mr. Chairman, this province has somewhere in the order of, I believe, altogether, \$75 million invested in physical assets and equipment. Do we want to add something to that that might be completely washed out in a few months? We have waited now two or three years for the final decision on this report; surely to goodness it is not unreasonable that I ask hon. members to be patient just a few months longer.

I can assure them that if this recommendation is not implemented, I will call upon this House, if I am the Minister next year, for expenditures or for a vote of money that will stagger even the imagination of the hon. member for York South. I will spend the money, I will build up the facilities; they are badly needed and I am completely in agreement with the hon. member in that.

But if hon. members will look at the report of the hon. Minister of Public Works (Mr. Griesinger) they will see what we have already asked for, and that is about only a third of what we actually need. As soon as I believe it is economically sound, practical, and feasible to do that thing, I will ask this House to vote me the money to do it.

I could go on further, but what is the use? I do want to say one thing about these maximum security places about which we have been talking. My hon. friend says we appear so proud of them.

Mr. Chairman, I say to you and to every hon. member in this House that that is a

complete and total misconception. I am not only not proud of those institutions, I am extremely unhappy that they are necessary. But necessary they are, and I am not asking hon. members to take our word for that. Not only we here in Ontario have found it so, but every jurisdiction I believe in the civilized world is finding the same thing today.

May I refer to Sweden? Dr. Johnson's school there was widely advertised a few months ago in one of our weekly tabloids. Yet they had to put bars on windows. What happened to the outstanding experiment at Framingham—it blew up in their faces, and they found they had to put bars on the windows for some of them. Chino in California is one of the most outstanding experiments in this sort of work in the world, I believe. But it has been made possible only because there is a place somewhere in the background with bars on the windows.

Mr. Chairman, I say to you that if, by keeping a small security institution capable of holding 32 girls, I can make it possible for 170 girls to have the freedom that can be afforded them in a wide-open institution, then I have no apology to offer. If it is possible for me to look after 4,000 adult convicts at wide-open institutions, or institutions of minimum security, then I do not apologize to this House, and I shall not apologize to this House, sir, if I have to build an institution to hold 300 or 400 in maximum security.

I believe what I already said, that Millbrook is not full today, and, if Millbrook is never full then I think it was the best \$3.5 million investment this House ever made, and I believe my hon. predecessor had that in mind, just as surely as it has become apparent to me, before he ever planned the building of this institution.

We are not proud of these closed institutions. We say with much conviction that we feel in some manner guilty for the fact that these closed institutions are necessary. But, Mr. Chairman, when I see the reports of some of the people under our care, and I read them carefully, I try to study them, and I try to think about what might have caused this defect of behaviour, then I see the things that have been done for them, and I ask work to be done again, tests to be made again, psychiatric examinations to be repeated, psychological examinations to be repeated, all with the same results.

We even call in outside consultants just in case some of our people have built up a

prejudice or bias against the inmate. If that is what the hon. member means by confusion of purpose, personalities or doubts or frustration—or whatever he wants to call it—I am glad that we have that kind of confusion.

I repeat again, I am glad that we have men and women in our department who have the courage to stand up on their feet and say, "Of course, I do not agree with this, but I am willing to sit down and discuss it, to look at it from every possible angle in the hope that we can come to a compromise." Again I repeat, with a great singleness of purpose we can do the best possible job for those under our care.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Chairman, I have heard of British bulldogs, but I did not know there were Scottish bulldogs until today. The hon. Minister is very energetic in the defence of his department as he probably should be.

At the moment, I want to direct attention just to one matter. There will be other matters to be dealt with as we go through the estimates. We have heard a lot of discussion about Dr. Buchner. I do not know very much about this gentleman, except that in the fall of 1956, my hon. colleagues and myself visited the Guelph institution and, in the course of that visitation, we were in contact with this gentleman who explained to us in detail the ideology that he had and the course that he was pursuing in relation to the prisoners at Guelph.

Now, last year in the House, the then hon. Minister of Reform Institutions, for whom I have the highest regard, painted a very glowing picture of what was happening at Guelph in respect to this particular centre. There was no indication, from the hon. Minister's remarks a year ago, that there was any fault to be found with the administration of that department under Dr. Buchner.

Now, today, we come to the House and we find, and the hon. Minister has just finished—and this is the point I want to make particularly—reading a list of Dr. Buchner's deficiencies. He catalogued them in detail.

Now, the sum total of those deficiencies as set out by the hon. Minister would, in my judgment—if they were accurately based and if they were sound in every respect and if they were justifiable accusations—have been more than enough to have justified the hon. Minister in asking for the resignation of Dr. Buchner.

But now that is not what happened, and this is the point I want to bring to the hon. Minister's attention.

Time after time, this afternoon, there has been more than an intimation that they said to Dr. Buchner: "We want you to go to Millbrook." Now, if Dr. Buchner was possessed of all the deficiencies that have been outlined to the House this afternoon, then why did the hon. Minister ask him to go to Millbrook? Why did not the hon. Minister of the department, if he was aware of the deficiencies as he outlined them, ask for Dr. Buchner's resignation?

That is why I say this afternoon that I have some doubt, and I think there are reasonable grounds for that doubt, as to whether Dr. Buchner could be reasonably charged, as he has been charged this afternoon, because if he could have been properly charged, then the hon. Minister should have asked for his resignation, and not asked him to accept a similar post in a larger institution, where he would have had an even greater responsibility.

Hon. Mr. Dymond: Mr. Chairman, I believe my hon. friend, the leader of the Opposition, is perfectly justified in what he has just said. Then again, I take full responsibility for my action. I had very grave doubts of Dr. Buchner's fitness, sir, when I first read his file, when I read these things that were catalogued against him. This all happened before I came into the department on July 19—a department which has been very much under criticism.

Now, I am not a very vindictive person although it may appear this afternoon as though I am. I am not really a vindictive person, and I believe that every man should be given a second chance.

I believed that most of the serious defects, which I read this afternoon, could have been resolved by the very simple procedure of moving Dr. Buchner to another *milieu*. First of all, we would get him away from his private practice. Secondly, he would go down under a new superintendent. He would go into an entirely different setting, which would be conducive to a strict tightening up of procedures and administrative matters.

Those were the serious matters, Mr. Chairman, and I was quite prepared to take the risk of concurring in the recommendation that Dr. Buchner go to Millbrook because, as I said already, I believed that most of these defects could be corrected, or at least that he should be given the opportunity to show that he was willing to co-operate with us.

We were not going to dictate to Dr. Buchner by saying that he could not continue his group therapy, or that he could not continue to test his ideas. Not at all. I do not

think that, at any time, did our director of neuro-psychiatry say to him: "You cannot continue these things."

We objected to certain things which we know to be, insofar as physicians are concerned, wholly unethical and most undesirable. One never displays his patient, in private practice, to the morbid curiosity of the throngs.

Of course, one may see a baby born on television—those who want to watch it—but one does not call somebody into the hospital to see an acquaintance being delivered of a baby, or having his appendix removed. At least I will not. I never have done so, and I never will, from the very standpoint of sanitation alone.

But I still repeat, sir, that I believe the most serious defects which we found in Dr. Buchner's regime could have been cleared up, or at least he should have had the opportunity to prove to us that he was willing to co-operate, to the end that they would be cleared up in a new centre.

I would like to say this, further, not in justification of our action, because I still maintain—and I maintain this in spite of the civil service commission—I still maintain that I did not dismiss Dr. Buchner, that Dr. Buchner severed his connection with this government by his own action. However, it was interpreted differently by the civil service commission. He appeared before an appeal board; his whole case was reviewed, and they concurred unanimously in our action.

Mr. Oliver: Mr. Chairman, on another point, I want the hon. Minister to tell me and the House what happens now to this clinic at Guelph, about which we had such glowing reports in the last couple of years? Is it going to be allowed to die a natural death? Is it going to be transferred in its entirety to Millbrook, or just what is to be the future of this centre?

Hon. Mr. Dymond: I crave the indulgence of my hon. friend. Would he mind that being taken up under the vote? If we can get on with the vote, we will come to that.

On vote 1,901:

Mr. Oliver: On the main vote, I want to say this about the expenditure of the department this year. Now, I am quite willing that the department get money to spend for laudable purposes, but the hon. Minister of appreciate that, two years ago, the expenditure was about \$7 million, and now he is asking the House to approve over \$15 mil-

lion. That is an increase of over \$8 million in two years.

Now, I think the hon. Minister should tell the House, as briefly and as clearly as he can, just what are the extraordinary expenditures that have gone into this year's estimate that would reveal a picture of twice as large an expenditure as we had two years ago.

So far as the new institutions are concerned, he does not pay for them in his department. That is accurate. The Department of Public Works builds the buildings and pays for them, so it must be within the department, outside the physical building, that this expenditure has gone up, and I think it would be of interest to the House if the hon. Minister could outline just where these expenditures are.

Hon. Mr. Dymond: On vote 1,901, sir, there is an increase for salaries. That of course will be found throughout. All salaries have been increased because of the new classification, which I think was overdue, and also because of the 5-day, 40-hour week. This has added a considerable sum for that purpose.

The largest single item of increase is almost \$1 million for district jails. As you probably know, Mr. Chairman, up until the present the payment of the staff of district jails has been the responsibility of The Department of the Attorney-General. We have taken that over now, and that accounts for practically \$1 million.

Of course, we had no great appropriation for Millbrook last year. It called for \$610,000 last year. It is \$1,305,000 this year. That is the explanation for the main increases in all of the estimates, and I think if the hon. leader of the Opposition will add that up, he will find that it explains it all.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, on vote 1,901, I would like to direct a question to the Minister on item No. 9, prisoners' rehabilitation society. That is one. I would like to know the name of the society.

Then there are the training schools. According to the public accounts of last year, the 3 training schools were St. Joseph's, St. Mary's and St. John's. I wonder if there are any other training schools that receive a grant from that appropriation, and what is the basis of the grant?

Hon. Mr. Dymond: First, the grants. The Salvation Army gets \$20,000. We gave them an extra \$5,000 this year because they do a good deal of chaplaincy work, for which they are not paid as our regular chaplains.

are. The John Howard society got a regular grant of \$10,000 and a further supplementary grant of \$2,500. The Elizabeth Fry society in Toronto got \$8,000. The Elizabeth Fry society in Ottawa got \$1,000, and in Port Arthur they got \$500.

The societies in Ottawa and Port Arthur are actually doing—and I do not mean this to be misunderstood—a rather unique work because they are so far away from our head office. The society in Toronto, too, is doing a very great work in after-care, as I am quite certain many hon. members know. A good deal about their work has been widely publicized, and this is a very worthwhile and useful effort in after-care.

The matter of training schools will show, and I must apologize to my hon. friend, the hon. leader of the Opposition, that I did not note that. We now pay \$2.10 per day per pupil to the 3 schools mentioned, St. Mary's, St. Joseph's, and St. John's. Up until this time we were paying \$1. That increase started April 1 last year, and they, too, are experiencing an increased population just as we are, but the increase is completely shown here, \$2.10 per day per pupil, and \$3 per day per pupil for those from the unorganized territories.

Vote 1,901 agreed to.

On vote 1,902:

Mr. H. C. Nixon (Brant): Would the hon. Minister tell us something about the board of parole, who the members are now and the chairman? Do they receive any honorarium? How is the work progressing?

Hon. Mr. Dymond: The board of parole is, we believe, a very valuable part of our work. There is no full-time chairman at the present time, but the Rev. Dr. D. P. Rowland, of Weston, has been acting chairman, at least for the past year. The other members are the Rev. Dr. Robert Good of Ottawa, Lieutenant-Colonel W. A. Bunton, retired from the Salvation Army, Mr. E. J. Roche of North Bay, Mrs. Gladys Colter, and Miss Isabelle J. Ross.

About 4 months ago, Mr. W. R. McConnell of Toronto, a very valued member of the board, who had given outstanding service in that capacity to the province of Ontario and to our department, asked to be relieved of his duties. We have not filled the 3 vacancies existing at present. Mr. Horgan, because of pressure of duty, has been unable to act, so essentially his post is vacant. This board has not been brought up to strength, and I

am disappointed about this, but again I make no apologies, sir, since that also is a recommendation of the Fauteux commission, that our parole board be disbanded and all that work be done from a central board in Ottawa.

I would like to set this board up in the proper manner, and I again would suggest, Mr. Chairman, that if this recommendation of the Fauteux commission is not adopted, or not implemented, it will be also one of the first matters to get my attention.

Mr. Oliver: Will not the Rev. Dr. Rowland accept the chairmanship of the parole board?

Hon. Mr. Dymond: The whole thing is being held in abeyance as the hon. Prime Minister states, but I believe—and this belief is shared by members of my department—that the chairman should be a full-time position. The Rev. Dr. Rowland is incumbent in a very large Presbyterian church in Weston and actually does not have the time to devote to it.

Mr. MacDonald: He is in York South.

Hon. Mr. Dymond: He is in a good territory. It is a wonder that he has not had a greater influence on the hon. member, but he is doing splendid work there, although he still has a good fertile field in which to work, but I believe that Dr. Rowland would not be particularly interested. As acting chairman, he did get an honorarium of \$1,500.

The method of paying the members is a per diem allowance plus expenses of \$15 at all the institutions except Burwash, and there the allowance is \$25 per diem.

Mr. Thomas: The hon. Minister, during the course of his address this afternoon, mentioned that the members of the board were entirely voluntary, serving voluntarily—

Hon. Mr. Dymond: The advisory board.

Mr. Thomas: Because in the public accounts for 1957 there is an item of \$15,000-odd for salaries for that same board.

Hon. Mr. Dymond: That item, I am assured, is for the administrative expenses of the board, the board has a staff in our head office, there is a full-time secretary and certain other office staffs, supplies and so on concerned with the work of the parole board.

Mr. P. Manley (Stormont): Could the hon. Minister tell us how often this parole board meets? And if they go to all the institutions?

Hon. Mr. Dymond: They meet 4 to 5 times a month. They go to all the institutions except Millbrook; they do not go there because the population is not large enough. We bring those at Millbrook, who are to come before the parole board, down to Mimico to be interviewed. But they go to all the other institutions.

Mr. Nixon: Do the two lady members of the board sit with the board only when they are at the female institutions?

Hon. Mr. Dymond: Oh no.

Mr. Nixon: They accompany them to all institutions?

Hon. Mr. Dymond: Quite so.

Mr. MacDonald: Mr. Chairman, the hon. Minister has two or three times mentioned the Fauteaux commission report. I agree with him in his earlier observations that if there is going to be a basic change—a basic redivision of responsibilities as between the federal and provincial jurisdictions—obviously, it would be wise to mark time until we know the exact nature of that change.

If I have a criticism to make, it is that, while we have been waiting for that change, we have been building \$3.5 million penitentiaries in the provincial field, such as Millbrook.

However, my point is this: Is there no indication as to when we might get some action on the Fauteaux report? I remember when the report came out, the hon. Prime Minister, in conjunction with the hon. Reforms Minister of the day, said they supported it, and hoped that it would be implemented immediately. Now, that is 18 months ago, I believe. I think it was a year ago last summer. Is there no indication as to when we can get out of this sort of purgatorial position and know where we are moving to?

Hon. Mr. Frost: After March 31.

Mr. MacDonald: Thank you.

Hon. Mr. Dymond: I would like to point out, Mr. Chairman, that there was one mistake. Millbrook was not built after the Fauteaux commission report, it was started before that. Unfortunately Millbrook took a good long time to build, but I have every hope that the Fauteaux report will be considered high priority very shortly after March 31 when the government is returned at Ottawa.

Mr. Nixon: Does the hon. Minister honestly expect that the federal government will assume all those responsibilities that the prov-

ince now carries, for all the prisoners over 6 months?

Hon. Mr. Dymond: We sincerely hope so.

Mr. Nixon: If he does, he is a lot more optimistic than I am, and, from long experience with trying to get the federal government to take something off the hands of the province, I think the hon. Minister had better go ahead and solve his difficulties, and deal with them on a long-term basis.

Hon. Mr. Dymond: Of course, Mr. Chairman, I would very respectfully remind my hon. friend that there has been a great new change in Ottawa, and that a great deal was done in 8 months, and that is going to be continued after March 31. And I believe that, a year from now, we will be able to tell a much different story.

Vote 1,902 agreed to.

On vote 1,903:

Mr. R. Whicher (Bruce): Mr. Chairman, I would like to ask the hon. Minister a question under vote 1,903 in connection with item No. 2. Rather than ask a question, I would like to have some explanation of, for example, gratuities to inmates, not only while they are in prison, but I would like to have some word on what happens to them, and what things are given to them, when they are let out of prison.

Hon. Mr. Dymond: The gratuities paid are \$2 per month of the sentence, up to a total of \$20, and that is given to the prisoner on discharge.

We do not pay our prisoners, we have discussed that and still discuss it from time to time. I personally have leanings to it, but once again I have to go to those who know more about this business than I do. The consensus of opinion is that the method we follow is essentially the better method.

If we start paying our prisoners, then we have to introduce canteens, and involve this province in a lot of big expenditures for administration, and I think that in the end the prisoner is as well, if not better, off getting his toothpaste, toothbrush, hairbrush and so on for free, and getting his \$2, or up to \$20, when he leaves our institution.

Mr. Whicher: Do they get such things as tobacco free?

Hon. Mr. Dymond: Oh, yes, there is a definite ration, 2 packages every week, and papers to use the contents of the packages.

Mr. R. Gisborn (Wentworth East): Mr. Chairman, I would like to refer to city and county jails, and I would like to refer to page 55 of the hon. Minister's report for some clarification. On page 54, in the second and third columns, regarding sheriffs and jailors, I want to follow this across for further understanding. As we come to jailor and salary, take Hamilton for example, and the amount of \$2,389.73. Now immediately under that there is a figure of \$5,050.95. What I want to get clear is this: is the first salary shown that of the sheriff, the jailor or the warden, and what is shown in the second and third columns on page 54?

What I am trying to arrive at is whether, in the second column on page 55, the hon. Minister shows 36 as staff, which I would imagine would be guards. Now I am confused as to whether it should be guards or jailors. Are they both the same?

Hon. Mr. Dymond: We would like to call them "guards." I think the city and county jails refer to them as jailors, but we refer to them as guards.

Mr. Gisborn: Are the 36 mentioned the total staff of the Hamilton jail, from the governor down? Does it include the administrative staff? The office staff?

Hon. Mr. Dymond: This is the total staff involved in the operation of the jail, without the sheriff of course. The two figures \$2,389.73 and \$5,050.95 were put that way because there was a change of governors during the past year, and that shows a salary paid to two people each for part of the year. I would point out that we do not pay these salaries, of course, directly. That is all involved in the grant given for administration of justice.

Mr. Gisborn: I understand that, but there are some things that I would like to get clarified. Now, the \$2,389.73 would be the yearly salary of the guards, or what we term guards, in the Hamilton city jail.

Hon. Mr. Dymond: No. That was the amount paid to the governor who relinquished his office during the year. The \$5,050.95 is the amount paid to the present governor for finishing out that year.

Mr. Gisborn: Well, take the range of those salaries. Will the hon. Minister explain it to a certain extent? Hamilton was the lowest, and it goes from there to a high of \$5,562.62 in Toronto. Now what does that column mean? Let us leave Hamilton alone now.

Hon. Mr. Dymond: Well that means that Barrie, for instance, pays their governor \$3,649.98 and that Toronto pays theirs \$5,562.62.

Mr. Gisborn: That is the governor. Now that is what I want to get at. The hon. Minister says "other officials." Who are they?

Hon. Mr. Dymond: That would be the guards, and all the other staff.

Mr. Nixon: What about turnkeys, or is that term obsolete?

Hon. Mr. Dymond: Some countries call them turnkeys. They have a diversity of names, and we like the individualism of the various county officials. We think they should be given the right to call them what they will.

Mr. Gisborn: Well, Mr. Chairman, just to go a little further on this. I understand that there has been a change in the set-up.

Previously the sheriff had something to do with the type of wages and conditions in the city jails, and I believe that Bill No. 99 will now change that to perhaps a large extent. That it is now going to come under the Deputy Minister or the hon. Minister of The Department of Reforms. Is that so?

Hon. Mr. Dymond: The governor will be immediately responsible for the operation of jails to the county council, but as for the method in which the jail is run, he will take direction from this department.

Mr. Gisborn: Well, the point I want to get clear is this. I was invited to meet some of the guards in the Hamilton jail, and we went through the jail and spoke to some of them and the point that vexed most of them was that they had no grievance procedure, they had no way of getting a request for a wage increase across.

All I could find out was that it had to be left to the sheriff to make a recommendation to The Department of the Attorney-General. If he approved it, they would send word back, and then the city council would have to pay it. It was mandatory on the city council to pay a wage increase if the sheriff recommended it.

What happens now that the sheriff is out of the picture, how do those people get access to grievance procedure?

Hon. Mr. Dymond: Well those people, of course, we must understand, are paid by the county or the city as the case may be. Therefore, we do not feel that we have any

right to interfere with the matter of their salaries. The guards can organize any way they like, and if they go to their governor, and up until the present time, the governor would take their request or their demand or their recommendations, to the sheriff, and the sheriff in turn would go to the county council or the city council. If it were passed, it came to us for approval and that would be it.

We never tell them what they are going to have to pay. We did say, in the case of places with population in excess of 150,000, a few months ago, that they should put their staffs on the 40-hour week. We did this after much consultation with those authorities, because we were given to understand that all other municipal employees were on that basis, and we felt that it was only fair and right that the jail staff should be on the same working basis.

But we never tell them or recommend to the county or city what they should pay. We approve it when they tell us, or ask for our approval, but we never tell them that they are paying too much or too little. That, we consider, is none of our concern.

Mr. Gisborn: The point that struck me as very queer was that the sheriff of Wentworth county had only made a visit twice in the past year, and it seemed to leave them without much access of getting their grievances across.

Could they come under the municipal police association if they so desired?

Hon. Mr. Dymond: Well, that is a matter really quite outside of my province, but I find it very difficult to understand that sheriff Caldwell visited the jail only twice in one year. We believe that, insofar as jail matters are concerned, sheriff Caldwell was a very outstanding sheriff in the whole province of Ontario.

However, I have no argument with that. They still have access to the sheriff by going to their governor, who is their immediate superior, and then if that is not satisfactory, if they could not get any action from the sheriff, they still could come to our inspectors, who would intercede with the sheriff on their behalf.

Mr. Gisborn: Well, I would just like to point out that the salary rates here are, in a lot of cases, \$20 to \$22 below the average in Ontario, and in some cases, very little above the lowest range, and certainly there should be some procedure to look them over to bring them more in line with the average rates in the province.

Hon. Mr. Dymond: Well, I would point out, Mr. Chairman, that this is none of our concern, and I, for one, certainly do not feel inclined to interfere with county council's will. We shall approve every increase they send through to us, but I am not going to tell them that they must increase salaries. That is not my concern.

Mr. Gisborn: That is what I am trying to get across. Who recommends an increase for them now? Not the county council?

Hon. Mr. Dymond: It is recommended to the county council, and the county council must pass it, or as Hamilton is a city jail—

Mr. Gisborn: It is recommended to the county council by the sheriff?

Hon. Mr. Dymond: That is right.

Mr. Gisborn: In the past. Now that the sheriff—

Hon. Mr. Dymond: When this bill is finally law, they will go to the governor, and the governor will go to the county council. In the case of Hamilton, he will go to the jail committee of the city council, who, in turn, should bring their recommendation back to city council. We have nothing to do with it except to approve it once it has been passed by them.

Mr. A. Jolley (Niagara Falls): Why does not the hon. member for Wentworth East sit down and pretend he knows what is going on?

Mr. Whicher: I would like to have the hon. Minister give a few remarks under vote 1,903, of item No. 4, the heading of which is industries. I have one specific question that I would like to ask on that. How much does the department charge The Department of Highways for the car licence plates that are made? Whatever the amount is, does this cover the cost of the production?

Hon. Mr. Dymond: I am sorry. I did not get the last half of the question.

Mr. Whicher: Whatever the amount is, does this cover the cost of the production?

Hon. Mr. Dymond: Oh yes. Last year and again this year we have quoted them a price of 15 cents per pair, the best bargain in Ontario—and that gives us a little profit. We do keep the business running on that small profit. That is private enterprise.

Mr. Whicher: Would the hon. Minister say something else under that item on the various industries?

Hon. Mr. Dymond: This amount of money goes almost completely for material. To pay for the materials we use, steel in the case of the car markers, lumber in the case of the carpentry shops, sheet metal, paint, brushes, machinery for the machine shops—all of the things required—tins for the canning factory, cloth and other textiles for the tailor shops, and all the other multitude of things used in our various industries.

It does not, of course, go for the great bulk of the feed which we use at our farms, because we grow most of it. But there are certain things which we have to buy, but most of our feed is grown on our own lands. If there is any question on any specific industry, I would be glad to explain in detail.

Mr. MacDonald: They make good sausage.

Hon. Mr. Dymond: They certainly do.

Mr. Manley: On vote 1,903 I would like to ask the hon. Minister, in regards to repairs to buildings, if additions to existing buildings enter into repairs, or is that taken care of by The Department of Public Works.

Hon. Mr. Dymond: Oh, we may put up a very small shed, lean-to, or something of that kind, but no major additions are undertaken by us. That is done by The Department of Public Works.

I would point out that there have been occasions, and there may in the future be occasions, when we will put up some structure, largely as a training project. We train quite a number of our boys in bricklaying and cement block laying, and if we can put them to a useful job instead of making them build up a wall and break it down again, then we will not hesitate to do that. Those would be minor matters, no major construction is undertaken by our own department.

Mr. Whicher: The hon. Minister said that a pair of licence plates cost approximately 15 cents. Does he not think that, when we pay \$24 for them, that is really excess profiteering?

Hon. Mr. Dymond: I would just remind my hon. friend, Mr. Chairman, that nowhere in the Dominion of Canada can he get such a cheap pair of plates to run over such good highways.

Mr. Manley: This government is paying 15 cents a pair to an institution for those plates. Now, what would it cost The Department of Highways if they were to go out somewhere else and buy those plates? The point I am getting at is this, The Depart-

ment of Reform Institutions is producing a product that is now showing a profit. What would The Department of Highways have to pay for those plates if they had to get them from some other source?

Hon. Mr. Frost: We would have to pay for them anyway, they all come out of the same hole. What difference does it make?

Hon. Mr. Dymond: I would answer my hon. friend this way, that in the first place I do not believe there is anybody making plates in the Dominion of Canada. I believe—and I questioned this in the United States—I believe automobile markers are made almost exclusively by penal institutions.

When we took it over, if I recall the history of this business of car markers, we took it over from a firm in Hamilton that was making such a poor job of it that they could not show a profit on the job. They were unable to produce the plates and show a decent profit, and for that reason they were not the least bit interested in a contract.

Now, the hon. member says that we are doing somebody out of a profit. That is quite true. But I would like him to remember that, if we stop this, we have to ask him for more money to keep these fellows in idleness.

I say to you, Mr. Chairman—and I do not care if we show a profit in our industries or not—that work is a very important therapeutic measure in the field of correction. I think that even the hon. members across the House will agree with me in that, as they have agreed with me in many things today, but if we take that big industry away from them, we either have to find some other industry, and it does not matter into what field we are going, we will take work away from somebody.

We either then have got to find another industry or keep the men around in idleness, and that I think would be the worst thing that could ever happen to these reform institutions.

Hon. Mr. Frost: Mr. Chairman, may I say that the transfer of the markers to the Guelph institution, is not a matter of recent origin. That was done, I think, very many years ago.

Mr. MacDonald: How long?

Hon. Mr. Frost: How long? Yes, as a matter of fact, the hon. Minister says they were manufactured by a private concern, and they were transferred to Guelph around 30 years ago, and they have been made there

ever since. I think it must have been 30 years ago, some place around there.

Mr. Manley: I did not want to leave the impression I was asking the department to get its licence plates somewhere else. I was wanting to point out what a saving there is to The Department of Highways in buying them from the institution. Now I realize that it is very important that this industry stays within the institutions. But I was trying to point out the saving. I do not want to leave the impression that I was asking The Department of Highways to go outside, or to set up some other way. That was not my intention at all.

Hon. Mr. Dymond: We just spent about \$.5 million for machinery to make these plates, we are not going to throw it out the door.

Mr. Manley: I have been through the institution, and I have seen these boys doing it, and I think it is a wonderful occupation for them.

Mr. H. A. Worton (Wellington South): Mr. Chairman, I would like to ask the hon. Minister if he would give me the minimum and maximum salaries of guards, plus the hours, and also a little information on the new boys' training school at Guelph?

Hon. Mr. Dymond: The minimum now is \$3,120. The maximum is \$3,600. The hours are a 40-hour week, 8-hour day, 5-day week.

Mr. MacDonald: I understand that quite a number of times, down through the years, representations have been made by some of the women's organizations in connection with medical, dental and optometric services for the inmates at Mercer. What is the situation here? Is it the case, for example, they will not give the inmate a set of dentures unless all teeth are gone? And what of glasses?

Hon. Mr. Dymond: Each case depends on its own merits. I would like to point out, Mr. Chairman, that if we got into this business we could really lead the province into something. I have on my desk for decision, at the present time, a file where a very outstanding dentist, who examined one of our charges, has recommended an expenditure of \$800. Now, I have to think very carefully of the wisdom of making such an expenditure. I am spending this province's money, and I am quite certain that many people would think very long and carefully about spending \$800 on their own child's teeth.

If the lack of dentures is interfering with the person's health, they will get dentures.

But after all, Mr. Chairman, a lot of these people come into us who have probably been drunk or something and lost their teeth. Is it the responsibility of this government to buy new teeth for them? I say not. If the lack of teeth is interfering with their health, then we will buy them teeth. If they really need glasses again we will provide glasses for them, provided their families are unable to do so. But I received a letter from a man yesterday saying that he needed glasses, that he could not see—but he made the mistake of telling me that his vision was 20-30 in each eye. My own vision is not 20-30 in each eye, and I can get along without my glasses.

Mr. Nixon: Perhaps I have been seriously out of touch, but I have not heard about this new institution at Port Bolster, at the top of page 101. Would the hon. Minister tell us something about that?

Hon. Mr. Dymond: Mr. Chairman, as I mentioned in my opening remarks, this was a small unit which we bought believing that it would be a further extension of our experimental work in the matter of classification. It was built originally as a small tourist hotel, but never was used for that purpose.

The building is only 7 years old and is in good condition. We bought it at a good price, we believed, and we were going to set up this unit to house 25 young girls, the youngest that came to us.

We were going to put them here as a further extension of our experiment in classification. We felt that if we could put them by themselves, to begin with, before they came into contact with the girls who have been in the institution for any length of time, or girls who have been in other institutions before they came to us—in other words before they had been contaminated so to speak—that we would have a much better chance of doing something for them. That is the purpose of the place now located at Port Bolster. It is not open yet; we expect it will be open within a month.

Mr. MacDonald: Is this the one near Lake Simcoe.

Hon. Mr. Dymond: It is right on the shores of Lake Simcoe.

Mr. Thomas: Mr. Chairman, on vote 1,903, I was looking through the public accounts for the fiscal year ended 1957 and there is one item there under Mimico account in the expenses, gratuities of \$14,409, and also in an item of \$5,345 in Brantford, and \$2,048 in Fort William. What would these gratuities be for?

Hon. Mr. Dymond: The gratuities are the money we give to the prisoners upon discharge, up to \$20 each. Gratuities all apply to the same thing.

Vote 1,903 agreed to.

Hon. Mr. Frost: Mr. Chairman, I move that the committee of supply do now rise and report certain resolutions.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

The Chairman: The committee of supply begs to report that it has come to certain resolutions and begs leave to sit again.

Report agreed to.

Mr. Speaker: Orders of the day.

THE ADMINISTRATION OF JUSTICE EXPENSES ACT

Hon. A. K. Roberts moves second reading of Bill No. 111, "An Act to amend The Administration of Justice Expenses Act."

Motion agreed to; second reading of the bill.

THE SHERIFFS ACT

Hon. Mr. Roberts moves second reading of Bill 112, "An Act to amend The Sheriffs Act."

Motion agreed to; second reading of the bill.

THE FIRE DEPARTMENTS ACT

Hon. Mr. Roberts moves second reading of Bill No. 113, "An Act to amend The Fire Departments Act."

Motion agreed to; second reading of the bill.

THE LIBEL AND SLANDER ACT, 1958

Hon. Mr. Roberts moves second reading of Bill No. 114, "The Libel and Slander Act, 1958."

He said: Mr. Speaker, I think I should perhaps say something on the second reading of this libel and slander bill. I think the House perhaps would be interested in a few remarks in connection with the problem.

The spoken and written word is so familiar to us that we often forget what a power for

good or evil it can be, and living as we do in our world of words, the law of libel and slander is of vital concern to all of us.

The last changes in our libel and slander law were made in 1909. At this time, even though Marconi had sent his famous trans-oceanic radio message 8 years before, no one had even thought of using the new invention, radio, for the dissemination of information and entertainment to scattered audiences.

It was not until September, 1918, that Canada's first broadcasting station was set up in Montreal. Since that time, radio has played a great part in the dissemination of the spoken word, as newspapers play in the dissemination of the printed word.

Television, of course, is a relative newcomer in this field. The first Canadian television programme took place about 6 years ago.

At present The Libel and Slander Act gives a limited protection to newspapers, and this protection is now being extended to include radio and television stations. This change is reflected in sections 1 and 2 of the bill, and various sections throughout the present Act deal with newspapers, and these sections have been extended to include broadcasts, as for example, sections 4, 5, 6, 10, 12, 13 and 14.

Our present Act provides that newspaper reports of proceedings of certain organizations are not actionable if there is no malice in the report. This group of organizations, inserted in the Act in 1906, has remained unchanged up to the present time, but now it is being widened. It includes proceedings of the Parliament of England, proceedings of the United Nations, a fair and accurate report of the findings or decisions of certain art, scientific, business, and sports associations.

Our present statute deals almost entirely with procedural steps to take when one sues or is being sued for libel and slander, and the general principles of libel and slander are covered by the common law. In 1939, a committee was set up in Great Britain to study the whole law of defamation, and sat for some 12 years before it brought in its report resulting in the English Defamation Act of 1952.

Now, in the survey which we have made here, we have studied the English Act and in some instances we have adopted some of the procedures there.

Under the common law, there are certain limitations in bringing an action which involves a person's profession or calling. A person must be able to show that the words complained of were not words of general

abuse, but were spoken of him in relation to his profession or calling.

To give an example, to say of a lawyer or a clergyman that "he would get drunk" or "I have seen him drunk" is not in common law at present actionable, because it is not related directly to his work and his profession. But that does not seem to take into account—and the amending Act now will—the fact that if a person is doing that sort of work, such as a minister being accused of being drunk and disorderly, his profession or the work he does could definitely suffer as a result of such talk.

Section 19 of the bill also removes a common law burden in the case of slander of title, slander of goods or other malicious falsehoods. For instance, slander of title is the making of a disparaging remark regarding a man's property, as for instance referring to a house, which a person wants to sell, as being haunted or something of that sort, and in that way affecting definitely the title and value of the house. That is the sort of thing that now comes under the Act. Damages can be recovered in proper cases.

For example, by way of a practical joke: a person falsely represents to Mrs. X, we will say, that her husband has been seriously injured in an automobile accident and is dying. At the present time, the way the law is, though she might suffer very violently from such a statement, there would be no recovery under the present Act, but with the amendments that sort of a situation would be covered.

Section 23 and 24 of the bill alleviates burdens which the common law imposes on a person who is being sued for libel and slander. A person being sued for libel and slander may say in his defence, "I was justified because it is the truth." However, under the present law, if one is to win his case, he must be able to prove the truth of everything he said or wrote.

For example, a newspaper might publish a report that "X" stole a Gruen watch from Birks last Friday. If the newspaper is able to prove that "X" did steal a watch from Birks on Friday, but it turned out to be a Bulova watch, well, under our present law, the newspaper could not prove the case in every detail and the question of damages would be affected.

That is the sort of thing that this Act is clearing up on the question of proof.

Section 23 of the bill provides that a defence of justification will not fail simply because the truth of every fact is not proved,

if the fact that is not proved does not materially injure the person that is suing him. Similarly, if one comments on some matter of public interest, and is sued for libel, he may defend his comments by proving the truth of the facts upon which he commented, and by proving that his comments on these facts were fair.

One of the leading English cases, concerns a London newspaper which published serious allegations with reference to the official conduct of the resident commissioner of Zululand. The newspaper stated that he had not only violently assaulted a Zulu chief, but also that he had ordered his native policemen to assault some other chiefs.

The newspaper, acting upon the assumption that these statements of the assaults were true, commented upon his conduct in terms of great severity. At the trial, the newspaper was able to prove only that the commissioner had personally assaulted the chief, but was not able to prove the other allegations. Even though the comment was fair, considering the gravity of the true charge, the newspaper lost the case and the resident commissioner of Zululand came out with about £500 extra as a result of the action.

The change in section 24 makes it possible for the person being sued to win his case even if he cannot prove the truth of all the allegations, as long as the comment is fair on the allegations that he can prove.

Section 16 of the bill is also new, and again is taken from the English Act. The risk of libel is one of the incidents of the normal carrying on of the business of a newspaper, or radio or television station, and the new section provides that libel insurance policies are legal.

All the other sections of the bill are exactly the same as contained in our present Libel and Slander Act, but they are rearranged in order to put together those that apply specifically to libel, and those which apply specifically to slander.

Mr. H. C. Nixon (Brant): May I ask the hon. Attorney-General if there is any federal legislation on this matter?

Hon. Mr. Roberts: I do not think so. I think this is a matter—

Mr. Nixon: Entirely provincial?

Hon. Mr. Roberts: I think it is entirely provincial.

Motion agreed to; second reading of the bill.

THE PRIVATE INVESTIGATORS ACT, 1958

Hon. Mr. Roberts moves second reading of Bill No. 115, "The Private Investigators Act, 1958."

He said: Mr. Speaker, I might say that the libel and slander bill and any other bill that an hon. member wishes to go to the committee on legal bills will go there, and I think this bill should probably go to the committee also, for consideration.

But this is a re-writing of the old Private Detectives Act, and on introduction I made some comments about it, and unless some hon. member wants me to go into further discussion on it at this point, I will leave it that it will go before the committee on legal bills.

Motion agreed to; second reading of the bill.

THE JUDICATURE ACT

Hon. Mr. Roberts moves second reading of Bill No. 116, "An Act to amend The Judicature Act."

Motion agreed to; second reading of the bill.

THE CORONERS ACT

Hon. Mr. Roberts moves second reading of Bill No. 132, "An Act to amend The Coroners Act."

Motion agreed to; second reading of the bill.

THE POLICE ACT

Hon. Mr. Roberts moves second reading of Bill No. 133, "An Act to amend The Police Act."

Motion agreed to; second reading of the bill.

THE REAL ESTATE AND BUSINESS BROKERS ACT

Hon. Mr. Roberts moves second reading of Bill No. 134, "An Act to amend The Real Estate and Business Brokers Act."

Motion agreed to; second reading of the bill.

THE REGISTRY ACT

Hon. Mr. Roberts moves second reading of Bill No. 135, "An Act to amend The Registry Act."

He said: Mr. Speaker, this bill will also go to the committee on legal bills.

Motion agreed to; second reading of the bill.

THE TIME ACT, 1958

Hon. Mr. Roberts moves second reading of Bill No. 136, "The Time Act, 1958."

Mr. Nixon: Would the hon. Attorney-General tell us something more about this?

Hon. Mr. Roberts: I do not think I have more to tell than what I told the hon. member for Brant when I introduced it. It is simply a tidying up of the language to get this Act into a little better wording when it comes to a revision of the statutes, which is pending now. It does not in any way change the present Act, but it does clear the wording somewhat, that is all.

Motion agreed to; second reading of the bill.

THE LAW STAMPS ACT

Hon. Mr. Roberts moves second reading of Bill No. 137, "An Act to repeal The Law Stamps Act."

Motion agreed to; second reading of the bill.

THE CORPORATIONS TAX ACT, 1957

Hon. Mr. Roberts moves second reading of Bill No. 138, "An Act to amend The Corporations Tax Act, 1957."

He said: This bill is one that has some 30 sections, but the main purpose of the bill is simply to keep the allocation of profit basis for taxing of corporations, on the same scale and level as the position under The Federal Income Tax Act.

Now during 1957, there were quite a number of changes made in that Act, and under the power of our Corporation Tax Act of 1957, we have the right to follow along, month by month, to keep that basis and then, when the legislation is introduced the following year, to put it into the statute. That is what is being done here now.

I mentioned, on the introduction of the bill, that this would apply to all the provinces in the Dominion except the province of Quebec.

The bill also takes into account any differential between the province of Quebec and this province, so that there is no disadvantage to the corporations operating in the two provinces.

It also makes it possible to assess, on the spot, so to speak, a corporation that might come into this province to take part, for example, in some big exhibition where some large amount of money might be made in a very short time. The assessment can be made right on the spot, and protection made in that way for any profits that might be taxable eventually.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, I would like the Attorney-General to explain exactly what arrangement has been made with respect to the determination of taxes between Quebec and Ontario. That, after all, is where the problem arose and I think, to some real extent, the government must be criticized for permitting a situation to arise that we complained of last year.

That is, last year, just as this year, the hon. Attorney-General said that he was following the federal governmental regulations and laws.

Now, in practice, we know what has happened. Many corporations have found themselves in a very embarrassing position, where they were required to pay, in both Quebec and Ontario, on the same profits, or other situations arose where a company was not deemed to have earned money in either of the two provinces and was completely exempt.

Our situation arose—

Hon. L. M. Frost (Prime Minister): This corrects all that.

Mr. Wintermeyer: Well now, how is the Quebec situation corrected? Suppose that Quebec—

Hon. Mr. Frost: I would say that the Quebec government, as I understand it, declined to change their Act, so that the federal Act was changed, and we are changing ours accordingly, and it will correct that situation.

Now as to how, I would not profess to tell my hon. friend, but I would be very glad to have Mr. Clark, the comptroller of revenue, sit with him. Perhaps my friend, the hon. Attorney-General, can explain it better than I can.

Hon. Mr. Roberts: I think perhaps I have the benefit of Mr. Clark's memorandum right on that point. Ontario and Quebec are the only two provinces of Canada that are imposing and collecting their own corporation taxes. Ontario's provisions for the allocation of profits of corporations are identical with those of Canada. On the other hand, the provisions of The Quebec Corporation Tax Act, for the allocation of income, are different from those of Ontario and the rest of Canada.

I refer to subsection 24, subsection 28D. It is section 3, subsection 3, of the bill. It provides that where a corporation is taxable on income in both Quebec and Ontario, and the Quebec law allocates a larger portion of the corporation's income to Quebec, then the general allocation provisions under the Ontario Act would allow an additional deduction to be made from tax otherwise payable to Ontario of 9 per cent. of that difference. Nine per cent. is the rate of tax applicable under the Quebec Act.

When the opposite takes place, that is where the Quebec Act taxes a smaller proportion of taxable income than the general rules of Ontario would allocate to Quebec, this subsection reduces the allowance, otherwise granted under this Act, by 9 per cent. of that amount.

This subsection has the effect of making it impossible for any portion of Ontario's income of an Ontario company or company operating in Ontario, being taxed both by Ontario and Quebec.

Mr. Wintermeyer: Mr. Speaker, I would like to clarify this. Suppose that Quebec determines a certain profit is made in Quebec. Now Quebec decides that it is going to tax, and suppose that Ontario determines that the profit has been made in Ontario. Will Ontario automatically give in to Quebec?

Hon. Mr. Roberts: Well, I think that is a matter for negotiation. I would say that Ontario does not automatically give in to anybody. It has to be justified on the situation.

Mr. Wintermeyer: I must tell the hon. Attorney-General this, if he is not familiar with it, that at the chartered accountants' meeting in the tax foundation meetings, this was a subject of great concern, and hundreds of thousands of dollars are involved in this very problem. During the past year, there were several companies that were prejudiced and other companies got away with, virtually, avoiding paying any tax.

Hon. Mr. Frost: I would say to the hon. member that the explanation of that is a very difficult matter of allocation. Sitting under the gallery is Mr. Phillip Clark. If my hon. friend would like to talk to him, he will give him all the particulars, and then I would delegate my hon. friend to explain it to the House for me, because I must admit that I find it somewhat difficult to understand.

Mr. Wintermeyer: I am not suggesting that. All I want is to be assured. Now, at the meeting there was a difference of opinion—

Hon. Mr. Frost: If the hon. member is not satisfied, then let him ask Mr. Clark. I am satisfied that it is all right now.

Mr. Wintermeyer: Well, Mr. Clark was certainly not in agreement with the men at the meeting, I can assure the hon. Prime Minister of that.

Hon. Mr. Frost: He is right over there. Let the hon. member just sit over there and he—

Mr. Wintermeyer: Well, I will be glad to do that afterwards.

SPEECH FROM THE THRONE

Mr. G. T. Gordon (Brantford): Mr. Speaker, in rising to take part in this debate, I wish to say that I agree wholeheartedly with the very fine tributes that have been paid to you. I sincerely agree with the other hon. members, that you carry out your duties with great dignity, and I offer those sincerely, Mr. Speaker.

I would also like to say at this time that in our hon. leader of the Opposition (Mr. Oliver), we have a man who has proven himself to be a sincere and a capable leader. He is a man who commands respect because of his integrity and sincerity; he is a man who, through the past 30 years, has rendered splendid service to this Legislature and to the people of this province. We all look up to him and respect him.

The hon. member for Brant (Mr. Nixon), is another honourable Canadian who has made a great contribution of service to the people of this province. Thirty-nine years is quite a span in any man's life, especially in the rough and tumble of politics, but I believe that he has enjoyed every one of those 39 years, and I sincerely hope—and believe that we all sincerely hope—that his political

health will be good for many more years in this Legislature.

Mr. Speaker, first of all, to introduce what I am going to say, I am going to read an editorial. There were several editorials about this situation in many of the metropolitan newspapers, but I have chosen this one because it is a paper favourable to this government, shall we say? I refer to the *Toronto Telegram*. The title of this is:

FLOUTING PUBLIC OPINION

I will not read it all; I will read some sections of it and will comment on it afterwards.

Rejection by the Legislature's private bills committee of Ottawa's application for legislation, permitting it to fluoridate its water supply, constitutes a challenge to Health Minister, Mackinnon Phillips. His position in this regard, considering that Metropolitan Toronto also has a special application, is untenable.

Dr. Phillips has not only declared that fluoridation is beneficial and harmless, he himself, last March, introduced a bill that was adopted by the Legislature, which authorized 8 municipalities that had been fluoridating their water to continue to do so.

Ottawa now asks for permission. Metropolitan Toronto is asking for it. Is Dr. Phillips content to do nothing about these applications when the private bills committee now, to all intents and purposes, censures him for his previous endorsement and advocacy of fluoridation?

The editorial goes on to mention about what the pure water committee says in Ottawa about aluminum and the terrible things that were happening in Saguenay. The *Telegram* said, to continue the editorial:

Saguenay's experience, like that of other cities, has been that a noisy, an irresponsible group concentrated its efforts to create a scare and to drown out the testimony of authoritative medical and dental leaders. Now, this is happening in Ontario as well, and it is happening with the connivance of Queen's Park. The express wishes of elected representatives of Ontario municipalities have long been ignored by the Ontario government.

All persons in the province who have supported the Frost government, as the *Telegram* has, will be concerned with this political manifestation, and hope that it is not a sign of growing arrogance to-

wards public opinion because of long years in office, such as developed in the final days of the former Liberal government in Ottawa.

Such an attitude was keenly resented by the public. It was a key factor in turning popular support against the St. Laurent government, and it persists in the current national election campaign. Strong as the provincial government is, and fortunate as it is in the leadership of Prime Minister Frost, nevertheless, if it continues to flaunt the considered requests of responsible municipal bodies, who democratically represent public opinion, the voters of Ontario will surely turn against it.

Now what happened with this bill from Ottawa? Here we have a council in Ottawa, representing the people of Ottawa, responsible to the electors of Ottawa, voting 19 to 4 to do something that they believed was right. There is not a doubt in the world that their medical officer of health and their leading medical profession (leaders in the medical profession in Ottawa), were behind them, and being an elected body, the people can say whether the people want this or not by turning them out at the next election, but they voted 19 to 4 that they want to fluoridate their water supply, and because this government has no policy on this, they have to come here to get permission. What happens when they come here?

Fifteen hon. government members decide that the city of Ottawa is not going to do this. They virtually say: "We are going to take care of you in Ottawa, you are not going to poison yourselves down there, we are going to take care of you and see that you do not do this."

Also, lo and behold, the hon. member for Ottawa East (Mr. Morin) opposed it. He was one of the quartette in Ottawa who opposed it. I do not know whether he led the opposition to it or not, but he came here to try to kill it, too, by voting against it. At least, he could have been neutral.

Now, that is what happened with this bill.

Mr. R. Robson (Hastings East): Did they all vote against it?

Mr. Gordon: No, all the hon. members did not vote against it. There were two opposed to it, but there were 15 hon. government members, and that was all that was there.

Mr. Robson: How did the hon. Opposition members vote?

Mr. Gordon: They voted for Ottawa, that the officials there could democratically do what they were elected to do.

They virtually said: "We are going to take care of you down there at Ottawa, you are not going to have your people poison themselves and get into the hospitals and all kinds of things happen."

Mr. R. J. Boyer (Muskoka): None of those in the committee said anything of the sort.

Mr. Gordon: By their attitude they did.

Mr. Boyer: Oh, excuse me, by their attitude.

Mr. Gordon: By their attitude they did, and by what some of them said, too. The hon. member knows what was said.

Mr. Whicher: It was good for the minority.

Mr. Gordon: Now, this government has no policy on this whatever, and until they do something about it, fluoridation—as far as cities are concerned—is gone forever in Ontario, but I think there will be a change.

An hon. member: A change in government.

Mr. Gordon: Now, one medical officer of health says here, in writing to me:

It would be a real contribution to the public health if the provincial Department of Health would proclaim its willingness to arrange for the free hospitalization and detailed clinical study of any individual in the above named municipalities—

and I mean the 8 municipalities that are legally allowed to fluoridate their water supply; Brantford is on its thirteenth year:

—who might allege that his health was being adversely affected by the consumption of fluoridated water.

The medical officer of health in Brantford has so stated, and I might say that Dr. E. R. Krumbiegel, the Milwaukee commissioner of health, publicly proclaimed an offer of free hospitalization and clinical study of such cases more than two years ago, and that no individual has in any way sought to take advantage of the offer.

Now why does not the government do something to take the scare away from this? We have these individuals going around scaring the life out of people and the hon. Minister of Health (Mr. Phillips) said it is a good thing, it is the right thing. Why not let the municipalities have the democratic right to do what they believe is the right thing to do, in their opinion, instead of having to come here and have a group here to say: "You are not going to do this, it is wrong."

An hon. member: Let the hon. member be careful of that water.

Mr. Gordon: An hon. member says I should be careful of that water. Well, I am going to speak about something else that is not water, although it has water in it.

When one speaks on this subject, he is immediately placed in one of two categories. He is either a wet or he is a dry. And if he is a dry, he is a prohibitionist or, as they used to picture him in the cartoons in days gone by, he would be a thin individual with a long nose and a top hat on, and a pretty miserable looking individual because he was a dry.

But, anyway, I am neither one of those. I am a pretty decent individual, I think, and I am not a prohibitionist.

But we all know—and this is serious now—we all know that the sale of alcoholic beverages is at an all-time high. Now that is recognized, is it not? And so is drunk driving at an all-time high, and so is impaired driving at an all-time high.

There is an increase in new alcoholic cases every year, and this is a very serious illness indeed. The sixth annual report of the alcoholic research foundation states that the number of citizens of Ontario who have developed this illness is very large. The number is increasing year by year at an alarming rate. The special clinics operated by the foundation, the mental institutions of our province, Alcoholics Anonymous and other treatment organizations, are handling only a fraction of the new cases which develop each year.

Now I do not think we can be too complacent with this situation. I believe something can be done. We are trying to take care of the finished product of the booze business, and even at its best what we are endeavouring to do, as a Legislature, is rather a poor try.

The amount received by the government from the liquor business this year is a very large sum—I understand in excess of \$550 million. A lot of money, is it not? \$550 million. And out of this huge amount, what we give for education on alcoholism education and what we appropriate for the alcoholic research foundation, which endeavours to take care of the finished product of the liquor business, is very small indeed. I believe that it should be substantially increased and I believe it would pay dividends in many ways, because we find that with increased education on alcoholism in the schools in the United States, there has been

a marked decrease in consumption. This can be shown by statistics.

In the United States, consumers of alcoholic beverages have decreased from 57 per cent. in 1945 to 50 per cent. in 1956. In Canada, the percentage of consumers of alcoholic beverages has climbed to 76 per cent., and 46 per cent. are women. I feel we should take a serious look at this problem, and I believe the hon. members will agree that there is a problem here, and I strongly suggest to the government that some increase in temperance education should be prepared for our schools. That is where it could start, in our schools. I believe it will pay dividends in many, many ways.

Hon. Mr. Roberts: A little earlier in his address, the hon. member gave a figure of \$525 million, but I am sure he made a mistake, he was not thinking of that being—

Mr. Gordon: Oh no, I am thinking of \$55 million. I am sorry.

Mr. Speaker, I have spoken several times of another matter, before and it has already been discussed in the House, and the hon. Prime Minister (Mr. Frost) has replied to it. But I am not satisfied that something more cannot be done for widows of workers who were killed prior to 1953. I believe something can be done, and the reason I am going to say a few words about it now is because we had a brief submitted to us—and I believe to all the hon. members of the Legislature—from the United Electric Radio and Machine Workers of America, and they have quite a lot to say about certain sections of The Workmen's Compensation Act.

Another reason I speak about this is because we have several of these ladies in Brantford, and in fact, we have one or two in the building here, who every year speak to me about it, and they feel very much concerned about it, and no doubt they should feel concerned about it.

As I said before, I have spoken on this matter on two occasions, but I am going to again appeal on behalf of these widows of the workers who were killed prior to 1953 when the increase in widows' benefits was increased to \$75 a month. Now \$50 a month, prior to 1953, was a miserable amount. It was not enough, and when we think of those widows, who are today still getting \$50 a month, when the old age pension is even \$55 a month, we must agree that something should be done.

Now, here is what the union says about it. The amendment provided that the new pen-

sion level would apply only to cases on or after April 2, 1953, whereby establishing two distinct categories, two kinds of widows, and maintaining for a large number of families a standard of existence which can only be described as a scandal.

The argument has been advanced, in support of this unsupportable arrangement, that employers cannot be taxed to cover the additional cost of raising all widows' and dependents' pensions to a new and higher level. And we ask a simple question? Why not? Why, the amount would be very small, spread over the whole of Ontario. That is the reason we ask: "Why not?"

In our view, there is no sound reason why there cannot be an additional tax on the employers in the amount required for this purpose. In the event, however, that the government refuses to levy such a tax, then in our view the government must provide the necessary funds to The Workmen's Compensation Board, out of the general revenue of the province, to remove the gross injustice created by the Act as amended in 1953.

In this budget that will soon be discussed here, we are giving \$1 million to the teachers' superannuation fund, and in the committee on education recently, a number of hon. members favoured increase in pensions to aged school teachers, and the hon. Minister of Education (Mr. Dunlop) promised to give every possible consideration to the appeal.

Now, I appeal to the hon. Minister of Labour (Mr. Daley), because I believe it will be done eventually, to give every possible consideration to these widows of deceased workmen who receive this miserable pittance of \$50 a month.

Just let us look at these women. I know one of them especially in Brantford, whose husband was a qualified engineer earning a very fine salary. They were living in a nice home and were able to live just a little above the average. The husband, through no fault of his own, was taken away from her, and today she is struggling along and working to augment that miserable \$50 a month. I feel so strongly about it that I feel some consideration should be given to these people.

When we think that the old age pensioner gets \$55 a month, how can we say to these people: "All right, you just go ahead and do the best you can on \$50 a month, it is all you are going to get, it is all we are going to do for you?"

I say it is not all we can do for them. I believe that pension can be increased to \$75

a month. Each year it would get less, because these people would pass on as the days went by, and so I appeal again to the House to give this matter careful consideration. I thank you, Mr. Speaker.

Mr. G. W. Parry (Kent West): I move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Roberts moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to.

House in committee of the whole; Mr. H. M. Allan in the chair.

WINDSOR JEWISH COMMUNAL PROJECTS

House in committee on Bill No. 1, An Act respecting Windsor Jewish communal projects.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 1 reported.

CITY OF WINDSOR

House in committee on Bill No. 22, An Act respecting the city of Windsor.

Sections 1 to 8, inclusive, agreed to.

Schedule agreed to.

Schedule B agreed to.

Preamble agreed to.

Bill No. 22 reported.

CITY OF TORONTO

House in committee on Bill No. 26, An Act respecting the city of Toronto.

Sections 1 to 8, inclusive, agreed to.

Schedule agreed to.

Preamble agreed to.

Bill No. 26 reported.

CANADIAN NATIONAL EXHIBITION ASSOCIATION

House in committee on Bill No. 27, An Act respecting the Canadian National Exhibition Association.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 27 reported.

CHARTERED INSTITUTE OF SECRETARIES OF JOINT STOCK ACTIVITIES

House in committee on Bill No. 28, An Act to incorporate the Chartered Institute of Secretaries of Joint Stock Activities and Other Public Bodies in Ontario.

Sections 1 to 18, inclusive, agreed to.

Preamble agreed to.

Bill No. 28 reported.

SYNOD OF TORONTO AND KINGSTON OF THE PRESBYTERIAN CHURCH

House in committee on Bill No. 33, An Act respecting the Corporation of the Synod of Toronto and Kingston of the Presbyterian Church of Canada.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 33 reported.

TOWNSHIP OF SUNNIDALE

House in committee on Bill No. 36, An Act respecting the township of Sunnidale.

Sections 1 to 3, inclusive, agreed to.

Schedule agreed to.

Preamble agreed to.

Bill No. 36 reported.

CITY OF OTTAWA

House in committee on Bill No. 39, An Act respecting the city of Ottawa.

Sections 1 to 5, inclusive, agreed to.

Preamble agreed to.

Bill No. 39 reported.

CITY OF NIAGARA FALLS

House in committee on Bill No. 43, An Act respecting the city of Niagara Falls.

Sections 1 to 4, inclusive, agreed to.

Preamble agreed to.

Bill No. 43 reported.

CITY OF SAULT STE. MARIE

House in committee on Bill No. 44, An Act respecting the city of Sault Ste. Marie.

Sections 1 to 4, inclusive, agreed to.

Preamble agreed to.

Bill No. 44 reported.

UNITED COMMUNITY FUND OF GREATER TORONTO

House in committee on Bill No. 88, An Act respecting United Community Fund of Greater Toronto.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 88 reported.

Hon. A. K. Roberts (Attorney-General): Mr. Chairman, I move that the committee do now rise and report certain bills without amendment.

Motion agreed to.

Mr. H. M. Allen (Middlesex South): The committee of the whole House begs to report several bills without amendment and begs leave to sit again.

Report agreed to.

The House resumed; Mr. Speaker in the chair.

Hon. Mr. Roberts: Mr. Speaker, I think the hon. Prime Minister yesterday announced the business to follow.

I move the adjournment of the House.

Motion agreed to.

The House adjourned at 6 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Friday, March 14, 1958

Morning Session

Speaker: The Honourable The Rev. A. W. Downer

Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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1958





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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, MARCH 14, 1958

10.30 O'CLOCK A.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

Mr. A. Wren (Kenora): Mr. Speaker, I rise before the orders of the day on a point of privilege as a result of an editorial in a periodical appearing in the city of Toronto known as the *Sentinel* published by the Orange Lodge. I refer to the March, 1958, issue of this periodical, page 21, wherein the headline says:

KENORA MP AND MPP UNFRIENDLY TO
PUBLIC SCHOOLS AND ORANGE ORDER

The article goes on to say that,

In the Ontario Legislature last year, Mr. Albert Wren, Liberal Labour Member for Kenora, championed the cause of separate schools. He was reported in the *Toronto Daily Star*, March 13, 1957, as follows:

"Separate school supporters found a champion yesterday in a Protestant MPP, who told the Legislature they are simply not getting an even break in the province's educational system. During a discussion of education departments' estimates, Mr. Albert Wren of Kenora, an Anglican said: 'We are seriously neglecting education today at the separate school level'."

There is a complete lack of logic in the remarks attributed to Mr. Wren. He did not demand that Anglican schools and Jewish schools also enjoy the same special and peculiar privileges that are given to Roman Catholic schools, so why should separate schools be put on a footing of equality with public schools?

Now, the Kenora MPP has a motion before the Legislature, the purpose of which is to implement the 1957 demand placing Roman Catholic separate schools on a parity with the province's public

school. Protestant and public school supporters should remember that non-Roman schools in Roman Catholic Spain are not allowed to exist, much less be granted state aid. In Canada, we grant Roman Catholics perfect freedom to teach what they will without lack or hindrance. If they want to have their schools they are free to do so.

But it is absurd and unjust to demand that we pay for them, it is still greater ingratitude and folly to criticize us because we do not endow them as richly as we do our own public schools.

The next section deals with a discussion which took place in the House of Commons of which I have no knowledge, but the concluding remarks in this editorial said:

Do Mr. Wren and Mr. Benidickson correctly represent the public schools supporters and Protestant electors of Kenora and Rainy River, the population of which in both ridings is predominately Protestant?

Mr. Speaker, I do not care to comment on the remarks about the federal member, or the issue which took place in the House of Commons, but for the record I want to read a copy of a letter I dispatched yesterday. It is dated Toronto, March 13, 1958, and written to the editor of the *Sentinel*, Toronto, Ontario.

DEAR SIR:

In observation of the article appearing on page 21 of your issue of March 21, 1958, may I say that I have carefully reread my remarks in the Ontario Legislature of March 12, 1957. At no point did I deal with Roman Catholic separate schools. I dealt with the separate school problem which is, no doubt, of greatest interest to the Roman Catholic religion. But I did not exclude any other faiths. Neither did I mention the Orange Lodge in any particular, although your headline by innuendo makes that suggestion.

You have not heard the debate on my resolution of this year, and you are taking very unfair presumption of what I might say. It has not yet been debated.

On March 12, 1957, Prime Minister Frost (who is an Orangeman) agreed with me in principle that having regard to constitutional problems, he proposed to relieve the separate school problem in some degree in grants distribution and in assessment equalization. At no juncture in my remarks did I propose who should pay for separate schools. I rather brought to the attention of the House the very real problem of guaranteeing that all Ontario children of elementary school level, without interfering with constitutional, legal or civil rights, be accorded the same opportunity in education at the elementary level.

I am an Anglican and a member of the Masonic Order, but as a member of the Legislature, I am not bound to represent only Anglicans and/or Masons. Once elected, I represent all the people regardless

of their racial, political or religious affiliations. They are all subjects of our beloved Queen, and deserve equal treatment by our Ministers. This year, Prime Minister Frost has advanced legislation which will prove more beneficial to separate schools in Ontario. I hope he will continue to do so, and if he does it will be with my firm support.

I am surprised that your periodical would risk dignity to gain what is obviously intended to be a political slap. I assure you, sir, that I have no fear of your intolerance, for I have circulated 5,000 photostatic copies of your editorial in my riding. My people are all tolerant Canadians, serving God, the Queen and their fellow citizens. I trust you will provide my reply the same display you gave your comments.

Yours truly,

ALBERT WREN.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before the orders of the day, may I say, that on Monday, I think perhaps the House should deal with the estimates of The Department of Health. Now I have agreed that on Monday there should be no night session. That has come to me partly from the hon. leader of the Opposition (Mr. Oliver) who, I understand, wants to celebrate St. Patrick's Day. As I think that is the case, there will be no night session on that occasion.

Now I think I am right about that, I might be wrong, but if not, we could have a late session.

Mr. H. C. Nixon (Brant): We had our celebration last night.

Hon. Mr. Frost: On Tuesday night, there will be no night session either. That is because the Irishmen celebrate on March 17 and the press celebrates on March 18, so there will be no night session on March 18. I cannot give the departmental estimate that we will have on the Tuesday, but very probably it might be the estimates of The Department of Agriculture.

Another matter I should like to mention to the House is that I had intended to be able to table, at this moment, the report of the committee, as a matter of fact I see the commission that looked at the Metropolitan Toronto problem. I have been most anxious that the report of this committee should be available for the members of the House to consider, and I propose to table it today. I had hoped to have it at the present moment, but apparently 10.30 in the morning is too early for my people to have arranged to have it in my hands. But I shall arrange to table it in the course of the morning. I may say that I am tabling it as it is, as, I have not had the opportunity of even looking it over. As a matter of fact, I have what purports to be a copy here, but I have not had the opportunity to even look at it, and I have not the copy to be tabled, but I will see that is done before we rise at noon today.

May I say this, and I am speaking from memory, but I think the letter of transmittal from Mr. Cummings will cover the point. I think I referred to last session, or there were references a year ago to the committee that was set up. My recollection is that, last session, we passed—or there was an addition made to—the Toronto Metropolitan bill providing for the appointment of a commission, and my recollection is that this committee was given the powers of a commission under that particular section.

Now I doubt that the commission, which was then constituted, really ever used those powers, they were powers that permitted the commission to call witnesses under oath and that sort of thing, but I do not think that was ever used.

The report of the commission, because I think it is so styled that way, will be available to the hon. members of the House, I want the hon. members of the House to understand this, that the report is not binding on this House, as a matter of fact it is a report which the hon. members of this House can use in their discretion. It is not binding on the government, I can assure hon. members of that. This is a report that has been made by the chairman and by certain people who happen to be hon. members of this House, but whose qualifications by way of experience to deal with this matter, is of course very great, but in no way is it binding on the hon. members of the House nor on the committee nor on the government.

Mr. F. R. Oliver (Leader of the Opposition): None of these reports are binding, are they?

Hon. Mr. Frost: No, of course not. I am anxious that this matter go to the legal bills committee at an early time next week, as early as is practicable. Tuesday might be a good time, if they are or they may be meeting on Wednesday. Let the matter be considered then, and the views of all the hon. members of the House on it can be advanced.

Certain legislation arising out of this may or may not be introduced, but if it is introduced, then that legislation again can go, and we can have the combined wisdom of everybody in relation to what we might or might not do in relation to Metropolitan Toronto.

I can assure my hon. friends opposite that I am conscious of this fact, that here we have in this assembly a very great deal of municipal experience, obtained from various sections of this province. All that can be applied to the problems of this municipality

here, whose population encompasses about one-fifth of the population of our province.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, would the Prime Minister permit a question?

Hon. Mr. Frost: Yes sir.

Mr. Thomas: He mentioned that some hon. members of the Legislature have a great deal of municipal experience. Does he not think it would have been very, very good if some of them had been on this committee to give that experience and knowledge at that time?

Hon. Mr. Frost: I would say that I did take two—as a matter of fact, I took two from Toronto and I took two from the outside. Now I can say this, that my judgment can be wrong. Now if it is, then the committee of the House is free to correct me, and I will be delighted to see what the committee of the House proposes in this.

I have been very interested in the government of Metropolitan Toronto. I had something to do with it 5 years ago, and I would say that I hope to attend that committee meeting myself, because I would like to hear the proposals that are made by the hon. member for Oshawa, and others, because they are men with great knowledge in this problem, and I would be very interested to hear what is said.

I see that the municipal bills committee meets on Monday. Now I do not know whether the committee would consider any feature of this report on Monday. I would think myself, it would be a little bit soon.

Well, in any event, I think that perhaps special meetings of the municipal bills committee can be arranged to consider this matter, and I can assure hon. members that I would like the objective thinking of any hon. member of the assembly, and particularly the hon. members opposite, who have very good ideas sometimes. I would like to hear what they have to say about it.

Mr. Oliver: Mr. Speaker, it is never very clear, after the hon. Prime Minister finishes speaking, just what he has been saying to the House. But one thing is quite clear this morning, and that is that if he had to do today what he did a year ago, he would not do today what he did a year ago. That is very clear.

Hon. Mr. Frost: I still think I am right.

Mr. Oliver: Now he is at great pains to say to the House that this whole matter

is going to come before the committee, and he proposes to call in counsel after the event. Now if my friend has made political blunders in the past, this is the biggest one, perhaps, that he has made. He has no rhyme, excuse or reason to have this committee formed, and not to have on it hon. members of the Opposition parties in the House. It does not help any, at this late date, for the hon. Prime Minister to say that if we have anything to say, we can say it now, after the deliberations of the committee have been completed.

Mr. Thomas: Mr. Speaker, may I say I agree entirely with the hon. leader of the Opposition. I think it is most unfair that a committee should sit throughout the summer, and here we are in the middle of a busy session, expected to go along in the matter of an hour, to give some ideas about the report.

Hon. Mr. Frost: I regret that I cannot please the Opposition, but in my years in office, I have never been successful in doing that. I just have to do the best I can to try and make it so—

Mr. MacDonald: We gave the hon. Prime Minister a chance a year ago to please us and he refused.

Orders of the day.

Hon. Mr. Frost: I move the Speaker does now leave the chair, and the House resolve itself into committee of supply.

Motion agreed to.

ESTIMATES, DEPARTMENT OF PLANNING AND DEVELOPMENT

Hon. W. M. Nickle (Minister of Planning and Development): Mr. Chairman, before presenting my estimates for what I hope will be the favourable consideration, and indeed the comment of the hon. members of this House, I would like to bring to your attention, if I may, that my hon. colleagues, who until now have passed their estimates, have all had with them as a financial advisor, a gentleman, and when any questions are raised—I do not assume there will be any, but should there be—in connection with my estimates, I am anxious that the House should observe that my accountant and financial advisor will be none other than the accountant of my department, Mrs. Anne Cameron.

I have been asked by Mr. Challis, the

chairman of the Ontario development commission, and also by Dr. Speakman, of the Ontario research foundation, as well as my directors, to indicate to this House that the very able and efficient form, concerning the way hon. members will find my estimates, are due in a very great measure, to the efficiency and the tolerance of this very fine advisor of mine.

In other words, let me summarize and put it this way. Women in the civil service are fast coming to top positions.

My department was formed by Act of Parliament in 1946. The task of promoting planning, at the local municipal level, cannot be carried on simply through routine administration, correspondence and office consultations. The policy of my department is to send experienced staff into the field, to assist all municipal and civic organizations whose activities parallel those of the department, in regard to planning and development.

At the last session of the Legislature, I said we would send our people out to assist the municipalities with their planning problems. We have had a tremendous number of requests for such assistance, and the House may be interested to see some of the many letters received, through planning boards and councils, which represent the appreciation of those with whom we had visits.

I should point out to my hon. colleagues of the House, Mr. Chairman, that my department is more or less what one would call a co-ordinating department, and we do our best with the municipal people and the planning boards to suggest to them what we think is a sound procedure, having regard to their challenges and their undertakings.

We received a letter, for instance from the town of Hearst. It is signed by the town clerk-treasurer, in which he says:

I wish to commend you on the efficiency of your staff, and also let you know how we appreciate the co-operation and assistance of your department in dealing with our local problems.

It is my sincere opinion, the policy you have adopted will help make, of Ontario, a better province to work and live in. We only hope you will continue to make available to us this competent experience.

And then here is a letter from the city of Oshawa, signed by Mr. Wandless, in which he says:

The representatives of your department are to be complimented on the thorough

manner in which they explained, to the satisfaction of all present, the different methods of setting up a committee of adjustment and the advantages, or otherwise, of each method.

And from Waterloo, a letter signed by Mr. Prest says:

There is no doubt that, having seen the area, you will be in a better position to advise us how section 20 of The Planning Act might be applied towards the redevelopment of this area. I know Alderman James Barr and the chairman of our planning board, Mr. Everett Snyder, were pleased to be able to ask you questions while actually viewing the various buildings.

From the city of Ottawa:

It is the consensus of opinion that the workshop is a very profitable one in that so many planning matters were handled and discussed.

From the town of Picton:

I have been asked by the central Prince Edward planning board to express their very sincere appreciation of the attendance of Messrs. Pierson and Adams at their meeting held on Wednesday. The board feels it has received the initial guidance it has been seeking in regard to the difficult task assigned to it, and is very thankful for the information you took so much trouble to give.

From Hagersville:

At this time, the Hagersville council members wish to thank your department for assisting in the organization of the planning board and for sending Mr. Pierson, who so ably organized our planning area in his visit to the Hagersville area.

From Sandwich West:

I wish to express my appreciation for receiving copies of the *Ontario Planning*, and wish to continue receiving these as they appear. I was particularly impressed with the panel, with Mr. D. F. Taylor as chairman. I feel that this type of conference is definitely worth while and if in the future, another such conference is to be held, that all secretary-treasurers be requested to attend.

From the University of Toronto, we got a letter to this effect:

Thank you most sincerely for the responsibility you took, first in plan 4 and then preparing and presenting material from the sessions for the housing and living arrangement section of the first Ontario conference on aging. I enjoyed working with you and profitted by your many suggestions.

And then from Mr. Breithaupt, from Kit-chener (he is an alderman), in which he says:

May I express my personal thanks and appreciation, also in my various official capacities, for the excellent work and results of the workshops so capably handled by representatives of your department.

As you will note, from a quick review of the questions discussed, the problems were at a level to be of interest to most of those present. Your team handled themselves well and showed a thorough familiarity with the problems and suggested helpful solutions to our guidance.

This forming of public opinion and meeting of rural and urban representatives, as a common discussion group, should do much to simplify our local problems and our relationships with your department.

From the University of Toronto:

I just wanted to tell you how very much I enjoyed your presentation before the Toronto regional group of the Institute of Public Administration of Canada and from North York Central community council. We wish to express our gratitude to you for appearing in our forum discussion of last April.

And from Sault Ste. Marie:

On behalf of the city of Sault Ste. Marie, the Sault Ste. Marie and suburban planning board we wish to express our gratitude to you and your department for its immediate consideration to this city's planning problems. With all sincerity, our appreciation is herewith extended to you for your assistance.

And from the township of Markham:

On behalf of myself, and with the unanimous and enthusiastic concurrence of all members of our planning board, we wish to thank you and your department for the wonderful co-operation you have extended to us.

Now, these letters give hon. members some idea of the satisfaction that the people on the municipal and planning level—

Mr. F. R. Oliver (Leader of the Opposition): May I ask the hon. Minister is that all the letters he received during the last year?

Hon. Mr. Nickle: No, but I will tell the hon. leader of the Opposition what I will do. I have a great bundle, and if he is interested, the surprising thing about them all is they are complimentary. They express complete and absolute satisfaction, and at the end of my remarks today, if he can spare the time, I will take him down to my office.

I will make available a chair and a desk and a nice table, and I know that he will have a very happy couple of hours reading the letters of appreciation that good government is represented by these, the Minister of Planning and Development.

Mr. Oliver: Just a selected few.

Hon. Mr. Nickle: Well, I just took the worst of them, my hon. friend.

Mr. Oliver: At random.

Hon. Mr. Nickle: I just took the worst, my hon. friend. Surely he would not expect me to take the cream of the crop?

Mr. T. D. Thomas (Oshawa): He did not expect the hon. Minister to take the other kind, either.

Hon. Mr. Nickle: Now we also think and we feel that, in rendering assistance to the municipalities and the planning boards, it is considered a part of wisdom in having prepared, printed and distributed, a complete brochure, indicating what we think are the initial and the main step to be taken when plans of subdivision are submitted by solicitors, and/or by private individuals for plans to be approved of, by my department.

Now, during 1957, staff members of the community planning branch visited more than 80 municipalities in the province, in response to requests for information and guidance concerning official plans, redevelopment, zoning, subdivision and other planning matters.

During the past two years, the community planning branch has taken an active part in the series of one-day and two-day area workshop type meetings throughout the province. These conferences drew participants from 5 to 10 adjacent planning areas, and they have given the councils and planning boards of

each area an opportunity to meet and discuss planning matters of concern, both to their individual municipalities and to the larger areas.

The director is the first to hear all of the questions of the local people, and to make available any information that we have as to the basic aims and practices of planning in Ontario, and to encourage municipalities to make the best possible use of the various provisions of The Planning Act for planning an adjoined area, as well as on an individual municipal basis for the preparation of official plans on zoning by-laws.

I may say, Mr. Chairman, that during 1956 and 1957, the community planning branch had these workshops in 13 different localities, attended in all by over 600 persons, representing more than 160 municipalities. In 1957, workshops were held in 9 centres of the province: Sudbury, Leamington, Cornwall, London, Windsor, Kitchener, Waterloo, Ottawa, Kingston and Welland.

In addition to area workshops, the community planning branch took an active part in a number of other conferences during the year concerning planning matters.

Among these were the provincial planning officials conference held at the University of Toronto, and the town planning conference held in September at the Queen's University at Kingston. Conferences of provincial planning officials have been held annually for several years.

The community planning branch acted as hosts for the 1957 meeting, which was attended by representatives from 8 of the provinces including Alberta, British Columbia, Saskatchewan, Manitoba, Prince Edward Island, New Brunswick and Newfoundland. The department was invited to take part in the one week summer course conference in planning for municipal officials.

We in The Department of Planning and Development are coming to the conclusion that, having regard to the unprecedented development of the province of Ontario, it is most difficult for either an urban or a rural area to plan within its own boundaries having regard to what is best for future development with a long range view.

And with that object in mind, the planning people have made a study (they are in the course of the study at the moment), of the St. Lawrence seaway area, the Toronto-Hamilton-Oshawa area, and the Lakehead.

And out of all this planning and conferences, there has come to me the thinking that, in the best interests of my department,

for the years that lie ahead, as far as I am concerned, and as long as I am Minister of this department, and indeed for my successor, that we should have what you might call "in service" training.

Such training would bring along the junior people of the different branches, to school them as best we can, so that when there are any vacancies, that the positions should be given to those who have been with us, and that we should not go outside the department to pick new men to take the top positions, but to encourage the people we have had on our payroll and bring them along and then bring the juniors in at the lower levels.

Now, in dealing with plans of subdivisions and problems such as this, we always consult with the other departments of government because, after all, we just do not approve of a plan of a subdivision *per se*, on the meets and bounds as submitted by the surveyor who may have drawn the specifications. We make enquiries with the Departments of Highways, Health, Municipal Affairs, Education, Lands and Forests, The Hydro Electric Power Commission and the Water Resources Commission. And we feel, by the time that we give our approval to the plan, that by and large, generally speaking, it is sound.

During 1957, a number of new planning areas were defined. At the end of the year, there were 372 municipalities included, wholly or in part, within planning areas and more than 80 per cent. of the population of the province was in one or the other 277 planning areas then in existence.

Now, in dealing with the question of planning, I do not want my hon. colleagues in the House to think that the department is wholly and solely concerned simply with plans of subdivision. We are a little bit wider than that, it is fair to say that, during the past several years, the branch has participated in several projects involving community development, which are sufficiently different from their normal operations to demand some mention.

For hon. members' information, these projects are the new mining town sites developed, under the guiding hand of the government through my hon. colleagues on the cabinet, through the committee on town sites. The members of the town sites committee are the hon. Minister of Municipal Affairs (Mr. Warrender), the hon. Minister of Lands and Forests (Mr. Mapledoram), the hon. Minister of Mines (Mr. Spooner), and myself.

Several years ago, the government decided that for good reasons they must participate in a more active fashion, in the establishment of mining communities, than they had done previously. With that in mind, as I say, the cabinet committee was set up, there was also an administrative committee.

I may say, Mr. Chairman, it is not a habit of mine to pick out of my department this or that one who I may think does a good job, and pay special attention or compliments, to this or that individual. But today I want to say that, in relation to the development of the mining areas in the north country, through the cabinet townsite committee and the administrative townsite committee, that no group of Ministers of the Crown could have had, could have asked for, indeed could have received more sincere, loyal, and friendly co-operation than we received from a very personal friend of mine, who, since I have been in The Department of Planning and Development, has given me consistently good and sound advice, I refer to Mr. Arthur Bunnell.

Now, very often, when new mining activity normally occurs in areas of the province without municipal organization, the province must step in and finance the project.

Another obvious reason for participation is the land areas involved in the greater number of cases is Crown land, and as such the government has a direct responsibility to see that the land is used correctly. Our experience to date has been that industry is most pleased with action of the government on this score.

The committees have studied and taken action during the past several years in those situations which appeared to demand their attention: Temagami, Copper Mine Point, Cardiff, Elliot Lake and Manitouwadge.

Now, the development of the north country means that we are going to be able to get the resources out of that area and bring them into the heart of the province, where the industries are, to develop the raw product into the finished article. This programme, I suggest, Mr. Chairman, is a sound programme making employment available for our people.

Even the best location for a town site can be spoiled if adequate consideration is not given to the design of the community, providing for the necessary recreation facilities in the right places, locating schools where they will conveniently and safely serve the children of the community, providing sites

for churches and community social services, and arranging the physical elements of the community so they can be provided in an efficient, economic and satisfactory manner from the standpoint of the family, the municipal government, and the business of the enterprises that are there.

Irrespective of how well conceived plans are, they are just plans until they are implemented in the forms of brick and mortar.

I cannot emphasize strongly enough the fact that our deliberations, regarding town sites in Ontario, go much further than the building of one or two communities. The experience gained, the lessons learned, will, I hope, serve as sign posts and examples of good community development to guide the tremendous urban expansion, that in my opinion, is bound to take place in northern Ontario.

Now, a word, Mr. Chairman, if I may, about the St. Lawrence area. After all, the St. Lawrence valley is the part of the province I know best. It is the area from whence I come; it is the place I call home, and naturally I suppose it is fair to say that this spot is a little closer to my heartstrings than some other places in the province of Ontario.

However, my department has been privileged to take some part, a very active part, in the re-establishing of 6,500 persons who had to be moved in the St. Lawrence valley as a result of the St. Lawrence seaway and the St. Lawrence power project.

The people who lived in that area for a generation, a century I suppose it is better to say, thought that the rapids, which were the obstacles in the pathway of Frontenac—who first pitched his tents on the banks of the St. Lawrence river, where Kingston now stands—would be an obstacle for all times.

Instead, the rapids were a God-given gift to make available to my people in Eastern Ontario, as my colleague, the hon. Provincial Secretary (Mr. Dunbar), will agree, the development of the St. Lawrence river has meant a great deal to the people who live in eastern Ontario.

Now, sound policies were clearly announced by the hon. Prime Minister (Mr. Frost) when, of his own accord and initiative, he met with the municipal councils, planning boards, boards of trade and citizens generally in July, 1954. At that time there were sharp differences of opinion between the municipal councils in the area that was to be flooded, as to whether or not the people in that area were going to get fair, decent, honest consid-

eration from this government, if they had to be moved lock, stock and barrel into a new housing centre.

Mr. Oliver: I can understand their concern.

Hon. Mr. Nickle: I am very glad my hon. friend said that—he can understand their concern. It was a concern, but as a result, may I say, of very sound policies of this government, that concern disappeared and satisfaction has now taken its place.

My hon. leader indicated at that time that he expected that the elected representatives of the people, in both Queen's Park and their council, would bring whatever problems arose to the attention of the government, and that the government would supply leadership to the municipalities. They did so, after a period of rehabilitation and rebuilding was over. He stated that the government would establish a Parks Commission, which has been done.

As a result of the apprehension, as expressed by the hon. leader of the Opposition, the *Iroquois Post's* comment on the Prime Minister's visit to this area, in an editorial, was headed: A NEIGHBOURLY VISIT.

This, may I say to the hon. leader of the Opposition, I am sure, will give him comfort, if no comfort comes to him from my words. This is what the newspaper said:

Though he brought no direct word of what we could expect in the near future, his visit was scheduled at a most opportune time, quelling to a large extent the anxiety which has surged over the countryside during the weeks following the green light on the power phase.

His firm promise of government assistance in our problems will tide us over the coming weeks until information, especially on the compensation and rehabilitation, can be worked out. His was not a trip of necessity, but truly one made in neighbourly spirit—dropping in to offer, help and bolster spirits at a time when we were in need of some direct assurance to allay our fears.

No finer way could have been chosen to that than by a personal visit. We thank Mr. Frost for his friendly visit and wish to say that our doors are always open.

Now that I think will satisfy hon. members that Old Man Ontario did the right thing, as he usually does at the right time.

Now, finally after all the flooding took place, after all the people were moved, then the question came up about the compensation, and a board of review was set up. On this

board were representatives from the municipal councils, the local boards of trade, the planning boards and from the different departments of government.

There were some 40 applications submitted for consideration, and after the pros and cons were considered, conferred on and passed upon, I think it is fair to say that as far as I know, generally speaking, the people in that area were satisfied with what they received by way of compensation.

They were content with the way they had been moved to new areas, and when the time came to celebrate the one-hundredth anniversary of the town of Iroquois last summer, the hon. Prime Minister was there, and received an affectionate and warm welcome, which would indicate, I think, that the people were satisfied with what had been done for them.

Another matter in reference to my department of government, that I would like to speak about, is the conservation branch.

Since The Conservation Authorities Act was passed in 1946, 19 authorities have been established in southern Ontario. This includes 4 former authorities in the Toronto region, which now constitute the Metropolitan Toronto and region conservation authority, embracing Metropolitan Toronto and the large area of urban municipalities in this region.

With a population of approximately 1.5 million people, these 19 authorities cover an area of 13,000 square miles, and have a membership of 300 municipalities.

Authorities are composed of public-spirited men, who are appointed by the people, and are working together to resolve those problems concerning the wide use of our renewable natural resources, which must be resolved if we are to maintain our present high standards of living. These men—farmers, foresters and businessmen—thoroughly familiar with their own localities, are coming to grips with problems at the local level on a watershed basis.

My conservation branch has made 41 surveys for the authorities to date, covering the fields of flood control, forestries, land use, wildlife, and recreation. The reports of these surveys contain the data and recommendations on which the authorities base their programme and conservation works.

During the past year it was my pleasure to present 3 conservation reports. The first was Otter Creek, the second was Napanee, and the third was on the occasion of Neebing authority up at Fort William.

On that occasion, I would like to say to my friend, the hon. member for Brant (Mr. Nixon), that I, like him, at that time was made an honorary chieftain of the great Indian tribe that lives in that area, and if the hon. member for Brant and I have nothing more in common, may I say that, as honorary members of that corporation, we can look our paleface friends, in the future, square in the eye and look out for those who have indicated by their actions, in making us their honorary members, that we will look after their interest.

So, the hon. member is not alone in relation to the Indian problem. I am not unmindful that the federal Indian affairs branch looks after the welfare of the Indians, and if I had to be made an honorary chieftain—and I am not saying this critically but in a kind and friendly way—I was awfully glad it happened after June 10, 1957.

Mr. Oliver: May I ask my hon. friend what his name is?

Hon. Mr. Nickle: Just to indicate that I am friendly with the Indians, I will tell my hon. friend what it is, it is High Sky, to plant from the earth to the heavens and some day I hope to get to the latter place.

Mr. MacDonald: He is well named. At least the Indians have a sense of humour.

Hon. Mr. Nickle: I should also point out that up to date approximately \$16 million has been spent on flood control measures, and we have many more projects planned, some of which I hope will be processed this year.

Flood control work, however, is not the only field in which the conservation branch has been actively engaged, although this field is undoubtedly the most costly and most spectacular.

The conservation branch has 30,000 acres of land under reforestation. The conservation branch also takes interest in farm planning and irrigation has been materially assisted by the authority in co-operation with The Department of Agriculture.

If any of the hon. members of this House had attended the Canadian National Exhibition last year, the London Exhibition, the Sportsmen's Show, the Plowing Match, they will have seen our exhibit, and we think that is a very worthwhile form of advertising, that the people of this province may through an exhibit get some idea of what we are trying to do.

As the result of recent developments by the Russian scientists, of satellites 1 and 2, my thinking has been changed for me in relation to how to approach the safety of our people in the event of a third world war which, I say God forbid. But if that challenge comes, the rocket that might formerly have been fired from the aeroplane, I do not think will be used very much, and I think fire and fire hazard is going to be one of the main challenges together with evacuation.

On this point I would like to say this, that the atomic bomb that burst in 1945 was the starting point in the change of thinking for people in connection with civil defence.

No wishful thinking, or head in the sand point of view, will put nuclear energy with all its possibilities for good and evil to one side, and what we have to do, as I see it, is to develop the fire departments of this province into a co-ordinating organization, to get here and there in the event of an emergency in the least possible time.

The hon. members will remember the result of the standardization of the hose thread connection. We are now going to have available in our department, thanks to the kindness of my colleague the hon. Attorney-General (Mr. Roberts), a man of international reputation, Fire Marshal Mr. W. J. Scott, and I hope that with his vision that we will be able to get up-to-date thinking as to what we should do in relation to this challenge and all the problems that go with it.

It is true that we have developed a number of volunteer police officers, and great numbers of registered nurses have taken the civil defence course, and a number of municipalities have organized for civil defence. But the question of evacuation is going to be something that has to be faced up to in relation to some sort of road sign that will have the approval of The Department of Health and Welfare in Ottawa, and which also will have to have the blessing of The Ontario Department of Highways.

In relation to trade and industry, I would like to say this, that it is timely to review the past, and look to the prospects of the future, in terms of the industrialization of our province.

Our provincial manufacturing industry today employs 36 per cent. of our total labour force of some 658,000 persons. The manufacturing industry is indeed today the hub around which our total economy revolves.

In 12 short years, 1,200 new industries have been established in this province, to

manufacture new products for our growing population. During this same 12 years, there was added to the investment of our manufacturing industry some \$4.7 billion, spent to construct new buildings, to buy new capital equipment, and to purchase the many other requisites of modern industry.

In the same interval, some 160,000 additional industrial workers were employed in our manufacturing industries. In these 12 short years over 3,500 Ontario manufacturing industries undertook major expansions to their facilities, thereby creating new productive capacities.

Ontario has been the manufacturing works capital of Canada, producing the value of goods, in 1946, approximately 47 per cent. of the Canadian total. This figure has increased in the intervening years until today our industry accounts for 50 per cent.

In terms of our balance of trade, and the value of the Canadian dollar, our further diversification is essential. In 1956, our trade deficit was in excess of \$800 million and I want to say, Mr. Chairman, that it is my hope that, as the result of the visit to the United Kingdom of the trade commission headed by hon. Mr. Churchill, associated with Mr. James Duncan, there will be developed in the minds of the industrialists of Great Britain and Scotland—United Kingdom, call it what you will—the wisdom of investing their capital, their pounds, in this country, in subsidiary companies.

In the long term, we hope that the results of that commission will mean new industries for this province, which will mean more work for our people.

I want to say here that Ontario House in London did a magnificent job in arranging for the Canadian delegation to visit the United Kingdom industrialists during the time that they were in the old land. I think that, if I may so, Mr. Chairman, it was a first-class commission.

The more we have of those sort of visits, the better it will be for this province, because I want to say this, speaking for myself only. Some people will say that England is a lost cause, that she has lost her status and all the rest of it. But every time there has been a challenge, John Bull came to the rescue, and if I had a philosophy it would be this, that I am quite prepared to nail my political colours to the mast and make this statement, There shall always be an England and England shall be free, if England means as much to you as England means to me.

We have aggressively followed a policy of encouraging the establishment of new industries across the province, and with pride I suggest this has been with some measure of success.

It seems to me that it is fair to say that a long term development programme is sound, as opposed to a here-today-gone-tomorrow development. With that in view, we have established the development association across the length and breadth of this province, and we hope that through the co-operation of these development associations, which are non-political, that we will be able to get from them sound and sensible suggestions to be of assistance to us in formulating our trade in industry policy.

Our immigration comes under my department. Last year, we had the challenge of the Hungarian people. We took these people without any medical tests, they were leaving their country and all that home meant to them, to come to the new world because they wanted to get away from the tyranny that was being imposed upon them.

And at that time, a number of outstanding institutions worked with us, and for all time I want to put on the record today, on behalf of the government of Ontario, our thanks to the following: The Anglican Church of Canada, Business and Professional Women's Club, the Canadian Council of Churches, the Canadian Hungarian Federation, the Canadian Red Cross Society, the Catholic Immigration Bureau, the Catholic Women's League, the Chamber of Commerce, the Council of Jewish Women, Goodwill Committee of Canada, Imperial Order Daughters of the Empire, International Institute of Metropolitan Toronto, Jewish Immigrant Aid Services, Ontario Council of Women, The Ontario Department of Welfare, Ontario Welfare Council, Presbyterian Church of Canada, the Salvation Army, the Travellers' Aid Society, The United Church of Canada, The Department of Health and The Department of Education.

And I want to single out, in particular, two of my hon. colleagues who extended to me, to these organizations and my departmental advisors, top-level and enthusiastic co-operation. I refer to the hon. member for Bellwoods (Mr. Yaremko) and the hon. member for St. Andrew (Mr. Grossman).

Now, another matter I want to discuss is the Ontario Research Foundation. This organization performs, in my opinion, a splendid service. Dr. Speakman, who is, so to speak, the general manager of the research foundation, is an outstanding scientist in his own right, most enthusiastic and capable.

Today, in the Speaker's Gallery, the president of the board of governors of the Ontario Research Foundation is here, Mr. Harold Turner. He and his colleagues have given to the Ontario Research Foundation, and indeed to this government, outstanding, enthusiastic, and sincere co-operation.

Now, during the last several months, there has been a very great deal in the newspapers, Mr. Chairman, about scientists. I think the House might be interested today to know that the Ontario Research Foundation started from scratch some 30 years ago, and it was established by an Act of this Legislature.

From the studies I have been able to make, the original bill was introduced by hon. G. Howard Ferguson, and seconded by our very great and beloved friend, the hon. member for Brant (Mr. Nixon).

I say to the hon. member for Brant today that he has had a long and distinguished political career, and when his place is evaluated by the historian of tomorrow, there will be no finer or brighter page to his credit than the step he took, in co-operation with the late Mr. Ferguson, in making the Ontario Research Foundation an entity that has made a great contribution to the industry of this province.

On behalf of the manufacturing people of this province, I thank the hon. member for Brant for a job well done, for broad vision then. We thank him very much for starting this fine organization on its way.

The hon. member for Brant well knows that, in the first place, the foundation was asked to assist in the investigation and development of the natural resources of this province. In the second place, the foundation would provide laboratory facilities, which would enable the smaller industries of the province to engage in scientific research.

Last year, it was my privilege to open in the Rexdale area, a new building provided for the government to house equipment designed for the staff of the foundation, to produce, from our medium and low-grade ores, high-grade concentrates which are acceptable to the steel manufacturers.

It is some 10 years since the Ontario Research Foundation inquired from the Ontario division of the Canadian Manufacturers' Association as to the best and most effective manner that help could be given to the growing numbers of small industries in the province. The answer given was that owing to the need for up-to-date library facilities, which cannot be sustained by small industries, the great need was for some central body to supply current scientific and technical information.

In response to this request, the department of research services was established with the foundation, and the cost is borne by the government of the province of Ontario.

Perhaps its most important duty is that of being a centre of basic research. May I explain what I mean by basic research by referring to what has happened in the last few years.

One of the challenges which confronts our industries today is to reduce or eliminate so-called waste products and convert them into valuable materials. For 10 years, the province has contributed approximately \$150,000 per year to support this foundation.

Now, Mr. Chairman, I want to make a statement about what I think is important: That during the past year, a senior member of the staff of this foundation, Mr. P. E. Cavanagh, was invited to spend several weeks in Russia.

The main object of the visit was to learn as much as possible regarding the science, technology and education in the scientific world. I have listened myself to Mr. Cavanagh's account of what he saw and heard, and I am sure than hon. members of this House would have reached the same conclusion when I say we have no justification for complacency in any of these fields.

I was particularly interested in his account of methods by which Russia is producing large numbers of well-qualified engineers.

This brings me to a point about which I should like to say a few words concerning what the government is doing, within our province, to support a post-graduate education in the sciences and university research.

Here again we rely on the Ontario Research Foundation to administer a scholarship fund of \$50,000 and a grant of \$150,000 for research by staff and students in the universities of the province.

During the past year, the foundation has made an important survey regarding the ultimate destination of our post-graduate students who have completed their scholarship studies and have obtained higher degrees.

From time to time, justifiable anxiety is expressed regarding the loss of these able young people to Canada. I am very happy to be able, Mr. Chairman, today to report to you that, out of 285 young scientists, 80 per cent. are now employed in government services, in universities, or in Ontario industries.

Hon. members will recall that this House, by recent legislation, has assumed control of

natural gas distribution in the province, and in addition the standards and qualities of all appliances sold within the province and which use natural or manufactured gas. It was necessary for the government to name a testing agency to comply with this legislation, and the foundation has now assumed this responsibility.

With our financial support, a suitable laboratory has been equipped for this purpose, and is now in operation.

In addition to the testing of appliances, it is our hope that this will gradually lead to the preparation of a new set of standards and specifications based on Canadian conditions and requirements which will replace the present American codes.

I am confident also that this work, based on close association with the manufacturer and the laboratory, will place the manufacturer in a better competitive position and to the development of improved appliances.

Now, Mr. Chairman, I think it is fair to say this: Having regard to the tests and the trials and the challenge the government has to face up to, that by and large, we can look forward to a prosperous Ontario, without any reservation whatsoever if we just adopt a philosophy of confidence in the province and confidence in ourselves.

On vote 1,301:

Mr. J. J. Wintermeyer (Waterloo North): Before we get into vote 1,301, may I make a few general observations, and the first, Mr. Chairman, is to congratulate the hon. Minister on an excellent public relations job this morning. I do not think there is any doubt in the world that he has adequately extolled the personnel, and that is a good thing in itself, of his department, and has shown that if we need a public relations officer for this entire province, we certainly will know exactly where to go.

However, Mr. Chairman, I would like to direct the attention of the hon. Minister to one or two real issues in his department.

For example, I did not hear the hon. Minister say anything this morning about how he is going to bring about the decentralization and direction of industry in this province. I did not hear him say anything about whether or not he is going to stop the encroachment of industrialization in the Niagara district, or permit it to continue; if it does continue, where is he going to develop other agricultural and fruit growing facilities.

I did not hear him say anything about whether he thinks it advisable that his department act in an advisory capacity only, or whether they exercise authority and direction in regard to planning.

I did not hear him say anything as to whether or not he feels that the initiative should come entirely from the municipal authorities, or whether it should come from his department.

Now, in all of these problems, I do not think there is an absolute answer, but I do think these are the problems of his department in which the public is interested. The problem of annexation, whether it should be controlled by his department or by the municipal authorities, is a burning problem, and I think these are the problems that are required to be debated at this time.

I would ask the hon. Minister to elaborate on these specific issues and to give us at least his personal opinion, so that we will know what his thoughts are in respect to these several problems.

Particularly, as I say, I am interested in his thoughts and plans and intentions with respect to the decentralization of industry in this area, and the implementation of plans to develop industry in other parts of Ontario, and where and what parts will be reserved for agricultural purposes only.

Now, these several problems I think are the real challenging problems of his department, and I would expect that he will have some concrete proposals to demonstrate, and to explain these things to this House at this time, because it is in the leadership that he can give, it is in his person and in his personal plans, that we can either judge his department to be doing a good job or a bad job, and therefore Mr. Chairman, I suggest that we hear the hon. Minister in respect to these several questions.

Hon. Mr. Nickle: I would say to the hon. member that, from a point of view of decentralization of industry, I think it is fair to point out that, having regard to the very excellent system of highways which we have in this province today, the opening of the St. Lawrence River which will now take ocean-going freighters, and that when he asks about the decentralization of industry, he can see these things for himself if he owns a car.

I will do my best to give the hon. member a civil answer, and an enlightening one at that.

I think that as far down as Port Hope and Cobourg, all that area is an indication of the decentralization of industry, and when the potential industrialist comes to us for information, he is interested in railways, highways, schools, vocational schools and universities. He may be interested in a clay belt as opposed to limestone, and we do our best to give the would-be new manufacturer all the information he desires.

But I do not think it is fair for us to say to him, "You will locate here," or "you will locate there". But whatever he asks for in information is given.

Perhaps a manufacturer will go to our office in London, England, New York, or Chicago. There may be 20 or 30 places where all the information is exactly the same.

But we have never yet said: "We suggest you go here" or "we suggest you go there." I think that when that attitude is adopted, it is the first step in the wrong direction.

Now perhaps I have not answered the hon. member's question with as much detail as he would wish, but I do say this, that the best way to decentralize is to say that there are localities the length and breadth of this province that meet up to the demands of the man who wants to invest his money and build his factory. Now I cannot do any better than that.

Mr. Wintermeyer: Mr. Chairman, I am sorry but I realize that one alternative is to treat this department as a simple clearing house of information. I realize too that when an industrialist comes, the hon. Minister cannot, in a dictatorial fashion say, "you shall go there."

But the fact of the matter is, that the hon. Minister knows what certain industrialists and what certain persons interested in establishing plants in Ontario will require, as he has said, highway facilities, schools and the like.

All right, now what is he doing about providing those facilities in certain parts of Ontario where he wants to attract industry? Now if we are forever going to follow industry. . .

Hon. Mr. Frost: These facilities are being provided across the board.

Mr. Wintermeyer: Yes, but this question may be irrelevant to an extent, but I think one of the unfortunate things that are happening in Ontario today is the tendency to concentrate all activities in the metropolitan Toronto area. I personally am quite satisfied that it is a real problem.

I have no criticism of this area. I think the people, however, realize that it is desirable that our population begin to decentralize itself. Now if forever, we follow the attitude of the hon. Minister, we are just going to make Toronto a bigger and bigger place, because here the facilities are.

Hon. Mr. Frost: Let me ask my hon. friend a question: Was not he the mayor of Kitchener?

Mr. Wintermeyer: No, Mr. Prime Minister, but I was on that council.

Hon. Mr. Frost: All right, he was on the council of Kitchener. Supposing The Department of Planning and Development said that Kitchener was big enough, and there could be no more industry go there, what would the hon. member say about that?

Mr. Wintermeyer: No, I was not . . .

Hon. Mr. Frost: Well, that is just his question. What would he do?

Mr. Wintermeyer: No. The hon. Prime Minister is just abusing the real challenge that we have. Nobody would want that. I suppose if I was on that council I would say: "Well, that is not the way to treat people." But I would say too, that those people would—

Hon. Mr. Frost: He would demand a provincial election if that happened, would he not?

Mr. Wintermeyer: Mr. Chairman, there is constant tendency to avoid the issue by simply trying to reduce it to absurdity. Of course we do not want that, but I would like to ask the hon. Prime Minister what he is doing at the present time to bring more industry into that specific area where it is sorely needed.

Hon. Mr. Frost: I am doing a very great deal. I would say that of course, the decentralization of industry is much to be desired, but I say that, first of all, he must remember that there are certain things which industry demands. There are attractions to large centres of population. There are attractions for instance, to the fine city of Kitchener, and the fine city of Windsor, and other places, because there is a market at the door of those industries.

The hon. member must face facts and he must be reasonable about that. I would say that among the things that have been done to provide decentralization of industry in this province are these: Fine highways; the snow-

plowing of those highways; equality of opportunity in education; a host of other things of that sort.

I mean, one can enumerate but that would be simply a repetition of the fine policies, if I may put it that way, of this government, and the aspirations and views of the people of Ontario.

Another thing that this province has done to decentralize industry is the immense power grid in this province, that makes it possible for industry to go with equal facility, almost, to any part of the province. That perhaps is too encompassing a statement but it is true.

When we talk about Metropolitan Toronto, we start to talk about the Golden Horseshoe that stretches from Oshawa around to the Niagara River. It is the greatest industrialized section of Canada. A very great portion of Canada's industry is located there, and a very large portion of Ontario's population is located there.

That great area is going to attract other industry, and that is something that cannot be overcome.

Now the question I asked my hon. friend, as to what he thought of saying, to say the city of Kitchener, if he were the mayor, or on the council there, and what his reaction would be, if we said now: "Here is a very beautiful city in Kitchener. You are big enough. You ought to be satisfied and no further industry can go there." What in the world would be said?

What would one say, in the town of Lindsay, which I can assure my friend is a very attractive community of about 11,000 people? It is a well-balanced community between agriculture and industry, and it is a nice place to live and is a good place for industry.

Now, what if we were to say: "Here is a perfect community," and I can say to my hon. friend that perhaps I can say that about that community. "Here is a perfect community. Now, you just stay perfect for the rest of your days." If a government said that, that might be sufficient to have the town change its allegiance.

I would say that one must face these things practically, and that when one gets down to it, it has got to be a question for the municipalities themselves. The city of Kitchener has, of course, attractions, fine highways, snow plowed roads which they did not formerly have, and a whole lot of things.

Mr. Whicher: Good representatives.

Hon. Mr. Frost: I do not say anything about that, but—

Mr. D. C. MacDonald (York South): Why is the population dropping in Victoria county?

Hon. Mr. Frost: Well it is not in the town of Lindsay. I would say that the hon. member is referring to the drop in agricultural population, which has been indicated in the reports to this government which of course, come about by increased mechanization and so on. Things of that sort.

We are living in a different world in a different day which my hon. friend from York South has not yet really come to appreciate.

I would say that these opportunities for industry, the opportunities of decentralization of industry, of course, primarily depend upon where industry wants to go. I mean we must recognize that. That is the first thing.

The second thing is, I think it depends after all, upon the opportunities for industry from a standpoint of these facilities that I mentioned, which are pretty equal in the province of Ontario now.

Hon. members are seeing very wide developments in this province industrially. They talk about decentralization of industry. Let hon. members go to the city of Chatham, for instance, where my good friend, the member for Kent East (Mr. Spence) comes from. See the fabulous development of that community. Go to the town of Barrie which I used to know very, very well. The town of Barrie was a community for very many years of about 5,000 population, and look at that town today; it is really a city.

As a matter of fact, one can take across the board in Ontario those things. Take the city of Kingston, for instance. Take the fine city of Kitchener, where there is, in that industrial area of Kitchener, Waterloo, Preston and those places, I think a community which is attractive and which is growing.

Mr. Reaume (Essex North): Take Windsor.

Hon. Mr. Frost: Yes, let them take the fine city of Windsor. Now there is a great community. I may say that I was a bit critical of some of the automobile industries. I think, as a matter of fact, I wrote a letter to one of the hon. member's industrialists the other day, that I may or may not make public but...

An hon. member: Who to?

Hon. Mr. Frost: I am not saying who it was, but it was somebody down in the hon.

member's town. May I say to my hon. friend that I think Windsor is one of the great, natural possibilities in this province. It is going to be on the seaway, and while Windsor is undergoing some difficulties, it has a great future. The difficulties are due to faulty planning on the part of industry itself. I think that the automobile industry—I am not complaining about what they are doing today but I am complaining about what they did 2 or 3 years ago. I would say that I think the city of Windsor is going to have a great future and a great possibility. I think it is a natural place for people to go to. Now that is my judgment.

I would say to my hon. friend, that no government department can ever regiment those fine places, of course. They are going to develop because the facilities are there to cause their development. That is going to be it.

Mr. Reaume: Mr. Chairman, I want to say also that I agree with the words of the hon. Prime Minister about the future of Windsor. But the fact is this, that I do not know of one instance of where the government of the province has ever done one thing to help the exit of industry from that area. Now there are many people—

Hon. Mr. Frost: My friends say that it was pretty much of an exaggeration, that statement.

Mr. Reaume: I do not think it was at all.

Hon. Mr. Frost: But I think it was.

Mr. Reaume: I noticed that the hon. Prime Minister had something to say, whether it was kind, unkind or otherwise, about the automobile industry and the poor planning that they had made in the years past.

I want to say this emphatically, that it was not any planning on the part of the city of Windsor. Some 50 years back, the Ford Company moved there. It was not because of any planning on the part of Windsor that the city actually became the automotive capital of the empire. It just so happened, but in the removal, or with the exit of industry, out of the area of Windsor, there was always one set pattern. There is always one set explanation that the president of this company or that makes, and this is what they all say: "The reason we are moving out of Windsor"—there may have been other reasons, one of the reasons may have been me, I do not know, but I do not think that is quite true—"is that we are desirous of getting into the

heart of the consuming public." Of course, the heart of the consuming public is here in the Toronto area, and if we—

Mr. A. H. Cowling (High Park): My hon. friend looks every morning as though he just came out of a steam bath, out of one of these slenderellas.

Mr. Reaume: Why does not the hon. member go back and have another bath? His hair is out of place.

Now the point I am trying to make is this, that the larger that the metropolitan area grows in population, then the more industries that will be attracted to it. I have never heard of the federal government or the provincial government—and I am not playing any sides at this point—I have never heard of one instance of The Department of Planning and Development ever taking a hand in this business of freight rates, in order that it might help certain areas, one of which is the city of Windsor.

There is certainly lots of precedent, that back in the days when the Lord was upon earth and he lost one of his little sheep, he left the other 99 and he went out after the one that was lost. Now the—

Interjection by an hon. member.

Mr. Reaume: I am only asking this. I think if the Department of Planning and Development were really so interested in their work, all these long speeches that the hon. Minister of Planning and Development makes about Sputnik No. 1, and Sputnik No. 2 is not going to cure the problem that we have now.

In all his wisdom—and he apparently has all of it—if he will sit down with all of his advisors, and he apparently has a great number of them too, and get right down to the need of the thing, he will help immensely, because if this condition goes on and on, it just means that industry from other parts of the province are going to keep on coming to the area here.

Hon. Mr. Frost: I am very interested in what the hon. member says.

Mr. Reaume: I know he is.

Hon. Mr. Frost: I want to reciprocate by acknowledging that he has a very great corner on the mental capacity of this Legislature, he is a very able fellow himself, and so on. I think that the hon. member for North Essex rates himself pretty highly, and I am prepared to accept that.

I tell him that what I would like to hear is this, I would like to hear him and his hon. seatmate there, rise and give us some real practical illustrations, cases in point, as to really what could be done.

I do not like to hear them complain in the abstract so much, I would like to see them get right down to business and let us have the advantage of their great capacities, and we will discuss them right here and now and see what they can do.

Mr. Reaume: I thank the hon. Prime Minister very much. What makes him so kind so early in the morning? Well, one of the things I want to speak about—and he seems to be an expert on it—because he forever has previews of his budget speech behind closed doors, at which time he makes certain statements that he does not make in the House. Of course, I suppose he is making many statements behind the iron curtain that he would not make out here.

Hon. Mr. Frost: What statements does my hon. friend refer to?

Mr. Reaume: If he will keep quiet for a moment, he will hear it.

Hon. Mr. Frost: Let us hear it, let us hear it.

Mr. Reaume: One of the things that the hon. Prime Minister had to say was that he found fault with the automobile industry. As to that, I could have years ago, and still do, probably up to a certain point, agree with what he said behind the iron curtain.

Hon. Mr. Frost: Well might I say—

Mr. MacDonald: Why does the hon. Prime Minister not give somebody else a chance to talk?

Mr. Reaume: Just a minute, if the hon. Prime Minister wants to solve the problem, if he really means what he says—and more than half of the time I am certain that he does not mean what he says at all—he was talking at that time of the unemployed, and he was laying the blame upon the automobile industry. I have already said that up to a point I agree. Why does he not have a meeting of the heads of the automobile plants, and the heads of the unions, and the heads of the cities, which are involved. Probably in that way he might be of a real service to the people of the province, instead of going about his way merrily taking a poke at whoever he thinks is the opportune person to poke at, at the time.

I am speaking about this thing in a very serious vein, because at this moment there are some 21,000 unemployed in the city from which I come. I say to him that he has not raised a finger, he or any hon. member of government, have not raised a finger in order to help those people.

His broad smile in his suave, smooth way is no way indeed to solve their problem, and until such time as he will take into office the people that know as much about it as he does, and indeed I think know more, he will not in any way solve this great problem.

I am asking him to do only one thing, and I think that he should now agree to do it, I think he ought to agree to call in the heads of the automobile industry and the heads of the unions and the mayors involved in those various places, and talk this problem over. In that way, he might be able to bring out some answer to this great problem that they are facing.

The hon. Prime Minister says he cannot tell industry where they have to go, and I quite agree. But there is a difference in wages being paid in the various sections of the province, and we have been up against that problem in Windsor. However, as to whether our wages are high and others are low, I want to make this broad statement, and I think a statement of fact. I do not think that the wages being paid in the city of Windsor are at all high. I do not see the wives of the workers, at Ford or Chrysler and other plants, wearing mink coats; there are very few, if any.

With the centre of population and industry coming to the Toronto area because of freight rates, because this is in the heart of the consuming public, there is one other important point why industries are moving out of Windsor. They can come up here and get labour much cheaper than they can up there, and so I say that some day—and I hope that some day will be soon—there will be a law passed in this province that a workman who has a certain specialized type of work will be paid the same hourly basic rate in one area of the province that he will be paid in the other.

I do not think that the hon. Ministers can sit idly by and watch one part of the province going down while indeed other parts are going up. I think that it is important that some planning on the part of the government ought to be done, and up until now I cannot see nor find out one thing that this government has ever done for the area from which I come, except talk, and spend a little extra

funds at the time of elections to make certain that there are not any opposition members elected. But of course that does not worry anybody much.

I just want to conclude by asking the hon. Prime Minister one very simple question. Will he agree to call a meeting of the heads of the automobile industry, along with the heads of the union and the heads of the cities involved, at a very early date?

Hon. Mr. Frost: I say to my hon. friend that he made a very good speech, but it was about as empty as shouting down into a barrel and about as noisy.

Mr. Reaume: Why does he—not—

Hon. Mr. Frost: Mr. Chairman, the gist of the hon member's complaint, a very loud objection or a very loud assertion, was that I have talked behind closed doors, and that I talk behind an iron curtain, and he says I cannot see what has been done, I cannot find out, and so on.

Now I would say to my hon. friend that what I said about the planning and the automobile industry I still say, and I did not say it behind closed doors at all. I said 3 years ago, in this House, I want to explain that—

Mr. Reaume: I want to hear it, too.

Hon. Mr. Frost: Three years ago or more, in this House, I explained the fact that the automobile industry in Windsor and in other places (Mr. Thomas, my hon. friend from Oshawa, will bear me out in this); I have one witness from over there.

What I said was this, that it seemed to me to be poor planning, and this was 3 years ago, to be poor planning to bring hundreds and thousands of people into the city of Windsor and into the city of Oshawa and the other places, knowing for certain that this war and this competition between these big companies could not last, and that they were attracting people there and they were going to leave them stranded. My hon. friend's seatmate there, my hon. friend from Waterloo North, agrees with that, and so does my hon. friend from Oshawa.

I am addressing myself to my hon. friend from Essex North.

Mr. Reaume: I want to hear him, too.

Hon. Mr. Frost: I cannot see and I cannot hear and I cannot find out, because he was not in his seat. He misses session after session of this House for—

Mr. Reaume: How such a big man can get so small so quickly. I made the assertion and I still make it that the hon. Prime Minister has not taken any interest in the affairs of Windsor or the area around it.

Hon. Mr. Frost: I want to complete what I say. I want to answer my hon. friend because he asked me a question. His question was this, why have I not heard, why can I not see, other things. I will tell him why again.

At the time I was making those statements, my hon. friend was not in his seat in this House, he missed a whole session.

Interjections.

Mr. Reaume: Oh now, just a minute—

Hon. Mr. Frost: I would tell my hon. friend this, to introduce a little bit more humour into it, not long ago I went down to open a building and they had the commissioners there, you know that they usually have them open a building, and I drove up in my Chevrolet that I have in the department.

The commissioner said: "Hey there, get out of there!" I said: "What's wrong?" "Oh," he said, "there is a big shot coming in here."

Mr. MacDonald: I think the hon. Prime Minister, in his capacity as part time Minister of Planning and Development, has posed the dilemma very clearly. The hon. Minister, in his presentation of his estimates this morning, gave us "thank you" letters, theme songs and everything else. But he did not get down to the basic issues. Now the hon. Prime Minister has raised them.

Is his government willing to plan, or is it just willing to talk about planning?

Hon. Mr. Frost: Certainly we are.

Mr. MacDonald: Just a minute now. The hon. Prime Minister complains about the automobile industry. He thinks it was poor planning. What is the use of having a Department of Planning and Development when the hon. Prime Minister knows that it is poor planning, and the department does nothing about it? It is frustrating the desirable objective of adequate and effective planning in this country if they simply ignore poor planning.

It is idle for the hon. Minister to rise and say "we provide information," because he does not do anything about it beyond that. The hon. Prime Minister might as well close this department up. As a matter of fact, after listening to the hon. Minister this morning,

I think that might be a good idea, for a good many parts of his department to close up.

Just let me take another aspect of this question. On this whole basic proposition of planning, the development of official plans in communities, we have had an example in the past year in Trafalgar township. The experience there raises sharply whether we had better not take a look at our whole Act and decide whether it is worse than nothing.

At the present time our Act misleads the people into believing that when an official plan has been adopted in a certain area, they have certain protection; that, for example, it is going to be a residential area. Then some big corporations come along and they can bulldoze that plan right into the ground, and the government and its agencies go along with it.

Let me take a specific case, that of the refineries out in Trafalgar township. Out in that township, they worked for the establishment of an official plan, starting in 1953. That meant that they spent money locally to develop their plan. Provincially, we spent money through the department to establish their official plan. It was on a temporary basis until 1956, and finally in 1956 the plan was finally accepted by this department.

One year later, in 1957, a group of refineries wanted to establish themselves in an area designated as residential, which in effect, drives a coach-and-six through the plan and reduces it to nought. And because of the fact that these people are powerful enough, and they are able to influence the individuals in the community, the plan which has been adopted by the government is wrecked.

Now are we going to have teeth in these plans or are we not? Is the government going to mislead people into believing this is the pattern that the government has okayed, along with local people, and then the whole plan is scuttled a year or so afterwards?

This is the essential problem. This is the reason why the *Toronto Globe and Mail*, a week or so ago, editorially — and I do not often agree with the *Globe and Mail* editorials — but here was one case where I do:

It said this is a Department of Planning and Development, but it is doing little planning and it is doing little development.

Now what is the government's answer to this? Is it just going to talk about planning, or is it going to put teeth in its planning Acts so that they are of some substance, and will give the people some assurance of the pattern of development in the years to come?

Or, related back to the problem that we have been discussing, at the industrial level, is the hon. Prime Minister going to let what is a desirable re-arrangement and planning of the economic life of this province be frustrated by those who want to come in and act in accordance with their own wishes, in violation of what is the over-all welfare and the over-all needs of the province? What is the answer of the hon. Prime Minister to that?

Hon. Mr. Frost: I will say to the hon. member that I know the problem of Trafalgar township very well. As a matter of fact, with the hon. Minister of Planning and Development, I went into that with the greatest of care. I went down to see it, I had discussions with persons interested, mainly those who were opposed.

Now here is the problem, and I want to give it clearly and concisely to the hon. member. I would be very interested if he would give me an answer and a solution to it, because I can say that I have hunted with great care for it.

The situation is this: Here is a community which adopts an official plan. That could happen in any one of the thousand municipalities in Ontario. They adopt an official plan. But we must remember this, that Solomon in all his wisdom, if he were sitting on a municipal council, or a planning board, could not determine the course of things that are to happen in the country, and therefore we must have powers of amendment. If we were to adopt an official plan, and make that plan absolutely unchangeable, then, of course, we would stifle the development of the province. I think this is the principle, that official plans and planning are altogether desirable and necessary in the province, but we must have reasonable ways to alter those plans, because no one can forecast the future of this province.

I will give one example, in this province, starting back about a dozen years ago. There were very many plans which were adopted or began to be adopted at that time. At the time those were adopted, nobody ever considered, for instance, the possibility of natural gas coming into the province. Now that is bound to have its effects, and if the people of say 10 years ago who adopted the plans knew that there was going to be a gas line run through so-and-so, they would have made their planning for that. But they did not, and they obviously could not know it, and therefore we have to have powers of amendment.

Now it is on that point that I think the question hangs and there is the problem to

be dealt with. I went into the Trafalgar problem and I found this—I am speaking offhand, I have the records in my office and I could get them, but my recollection is this—that the planning board years ago adopted a certain plan, and the municipality did what was necessary to confirm that plan. Now I am not sure whether the municipal board at that time had confirmed the plan, but let us assume they did. In any event, it went through that process.

Now what happened was this. Along comes a big oil refinery, and it wants a location some place in the general horseshoe area, if I can put it that way, between Toronto and Hamilton. Here is the place that would suit, but the plan does not fit the situation, so what happens is this, the whole matter is then again considered.

My recollection is this, that the planning board there looked it all over and made a recommendation for a change. The municipal council, after due consideration, and having heard the appeals of people—because I am sympathetic of the argument against changes in these things—confirmed the change, and then the matter came to the municipal board, and then public hearings were held and the board made its findings.

Now, may I ask the hon. member this, and I think this is the question and this is the thing I have pondered over, and I have discussed it with the hon. Minister of Planning and Development, I have discussed it with the hon. Minister of Municipal Affairs, I have discussed it with their officials. Is there another and additional safeguard that could be taken in that?

Now here is a community; we assume that the planning board is doing the best it can for the community in both adopting a plan and recommending a change. We must assume that the people's representatives who govern that community are doing the same thing.

At a municipal council, everything is heard and argued out, and the council in its wisdom by a majority of—I am not sure what the vote was—recommends the change, and then it goes to the municipal board, and the municipal board makes a change.

Now, Mr. Chairman, I am looking for better methods of doing things. Is there a better method of doing that? I pondered these many things. Take for instance, if you went to the highest court in this province, to the court of appeal, to take an example—and perhaps it is a ridiculous example—but

you go to the court of appeal and submit the question to them. They are bound to say, "Well, now, we are not the people who live there, why don't you let the people who live there do it?" You go to the Department of Planning and Development, or you come to the Executive Council, and you ask the Executive Council what to do. And is not anybody pretty well going to say, "Well, here, let the people of that community determine that thing in the ordinary processes, and let them determine what they want to do."

I do not want to take these plans, nor do I want to be a party to taking plans in any part of the province, and just simply throw them overboard at the instance of anybody who comes along. On the other hand, I do not want to cast this province into a cast-iron pattern that nobody can change. If we do that, then we are making it impossible for this province to develop in the way that it should.

This is the present method, that if there is a change in the plan, then it comes up from the planning board to the council, to the municipal board and there the decision is made. Now there is an ultimate appeal under the Act to the Honourable the Lieutenant-Governor in Council. But I am bound to say this, when the appeal comes to the Honourable the Lieutenant-Governor in Council, what do we do? Do we say this is a fair process all along?

It is our job to see the thing has been fairly done. But surely it is not the duty of some autocracy—if you want to say city and Queen's Park—that consists of people who come from all over the province, as any government would, to impose its will, then, on the people of that community.

If my hon. friends opposite can give me any better way, or any additional way to meet that situation, I certainly would be glad to hear it, because I have certainly spent a lot of time on it.

Mr. MacDonald: Mr. Chairman, I want to take a stab at commenting on this request the hon. Prime Minister has put. Obviously there is unquestioned merit in the suggestion that we cannot fasten on any area, or any part of this province, an iron-clad plan that is going to be there forever and a day, which would be so inflexible as to frustrate natural development, some phases of which cannot be anticipated when the plan was established.

But the hon. Prime Minister is evading the real point of my question.

Hon. Mr. Frost: I wish the hon. member would not use that word, I am so tired of listening to it I would like to take it out of the dictionary.

Mr. MacDonald: The hon. Prime Minister has missed the real point.

Hon. Mr. Frost: I may have missed it, but I did not evade it.

Mr. MacDonald: This official plan was first discussed in the year 1953, and it was okayed in a temporary fashion by the authorities of The Department of Planning and Development till 1956. In 1956, it officially was adopted, so that it became the accepted official plan.

Now surely, if we are going to have official plans and they are going to be of any value at all, a plan is going to be of some value for something more than 12 months. Otherwise, why go through the expense at the local level, and the provincial level, of drafting a plan that 12 months later is going to be scrapped?

Mr. S. L. Hall (Halton): May I ask the hon. member a question?

Mr. MacDonald: After I am finished.

Mr. Hall: I live in the township of Trafalgar, and I would like to tell the truth about this matter.

Mr. MacDonald: Now, if the hon. member thinks that I am giving a view that is not shared by people locally, just let me—Here for example is a comment that was made over radio station CHWO by the news editor Cy Young, in which he said—this is on April 2, 1957:

In its editorial last Saturday, which calls into question the whole principle of planning in Ontario at this time, the *Globe and Mail* made the very correct observation that official plans had been mapped in Ontario originally to give security to the homeowner, and to determine in a general way the division of any given area into residential, commercial and industrial categories.

The *Globe and Mail* went on to point out, however, that far from maintaining the security of the homeowner, the official plans in many municipalities have so been booted around between pillar and post that it might be better if the entire Ontario Planning Act were scrapped, and that everybody would know from the beginning

that no investment he made in a house was safe.

This is pretty much the way it stands in the area of Toronto township, Trafalgar township and Nelson township.

Then this further comment later in the broadcast:

It just ought not be possible for wealthy individuals or corporations to buy into residential lands because it is relatively cheap, and destroy the interest of homeowners in the same and neighbouring municipalities, but it is possible because municipalities are planned individually and it is still not too late for the kind of co-ordination of plans

which he goes on to elaborate, and which I think is another problem which has to be looked at.

But it seems to me, Mr. Chairman, that the hon. Prime Minister is missing, in his explanation the key point in as far as Trafalgar provides an example. That is, if we map out an official plan of any area, the plan is not worth the paper it is written on if we cannot count on this being the sort of pattern for the future, say 5 to 10 years, if one year later, the local people who have accepted this plan in good faith have to raise money privately to be able to buck big oil refineries who come in, and use the machinery of local government and the municipal board and The Department of Planning Development, in effect, to destroy the plan that the local people had accepted.

Hon. Mr. Frost: Might I ask my hon. friend a question? Does he think that it would be a good thing? Now supposing we adopted here an amendment to The Planning Act to say that, once a plan was adopted, that it could not be changed for say, 10 years. Now I would say to my hon. friend that, if he did that, there would be few municipalities that would do it.

Now I think the municipalities feel this, that they are planning their communities, that if it is necessary to alter them because of the growth of business or the change of business, that they can do it, but that they can still substantially protect their community. I think they will do it.

Now I would say this, I think, that if we were to say that they could not change it for—and I may say I have given consideration to that—for 2 years or 3 years or 5 years or some other period of time, what we would

do is this. They would say: "Well here, we had better keep our hands free, we do not want to do that. If we are wrong in our planning, and they could be wrong, then we would be frozen in that position by statute."

Now, I think my hon. friend, again I say, I think we must have the power to change this. Now is there anything that is different?

Mr. MacDonald: Change it yes, but not scuttle it.

Hon. Mr. Frost: Well I would not say scuttle. I would not say that is a proper expression. As a matter of fact, I do not think that is a proper expression.

Mr. MacDonald: There are an awful lot of people in Trafalgar—

Hon. Mr. Frost: Now remember this, that the township of Trafalgar and the municipalities did this themselves.

Mr. MacDonald: In some instances, the local authorities had a tie vote on the issue.

Hon. Mr. Frost: Well that was a debatable question, I will admit that, but nevertheless it was carried. Now what would the hon. member do? What is the solution? Will he give me a workable solution? If he will do that, I will give him full credit for it.

Mr. Hall: Mr. Chairman, I would like to give some of the facts on this argument which I know this hon. member for York South knows nothing about, only what he gathers, and what he gathers is quite often wrong.

I will admit that the planning boards and the joint planning boards are not perfect people like he is. They are people who can make a mistake, and when that official plan was drawn up, that piece of land west of the 12-mile creek was sold for farm and residential properties. At that time, the St. Lawrence seaway was not even started, and so they knew nothing of the development of it. Bronte has the best protected harbour on Lake Ontario.

These oil refineries were looking for a place, and they soon picked out that harbour. They came on to try and buy, and did buy, that property lying west of the Twelve Mile Creek.

Now, here is the mistake that the first planning board made which never comes to light. The ravine is very deep on the Twelve Mile Creek that separates that portion of the town-

ship from the main portion of the township, and it is impossible to put water and sewage disposal through, and the municipality could not see the wisdom of building sewage disposal and a water pumping station and everything for that strip of land.

The oil refineries came in, and they fought to put in their own sewage disposal, their own pumping, and they do not ask the municipality to supply one public necessity for them. They handled the whole thing, and it is benefiting the municipality a good many millions of dollars for the oil refineries to be settled there. Now there is the thing that turned the planning from what it was to the oil refineries—it was the cost of supplying services to that part which was forgotten in the first official plan.

Mr. MacDonald: May I ask the hon. member a question? Am I not correct that this official plan was finally adopted in the year 1956?

Mr. Hall: It could be. I could not say. But one could make a mistake in 1956 and one can make a mistake right now, like the hon. member is making, too.

Mr. MacDonald: Look, Mr. Chairman, this is all very nice and high-schoolish, if we want to have this kind of thing. But—

Mr. Hall: The facts are true.

Mr. MacDonald: —the significant point is that this plan was officially adopted in 1956, with the okay of this department. Now I submit to you that it is passing strange, that if these oil companies were going to come in here, that nobody knew about it at that time.

Mr. Hall: They did not know about it at that time.

Mr. MacDonald: Well there are some people out in the hon. member's area who think otherwise—

Mr. Hall: They are not very good citizens, though.

Mr. MacDonald: —and the net effect of it was that a plan that was worked through to 1953 to 1956, on a temporary basis, which was finally accepted in 1956 and okayed by this department, was in effect—for the most part or in a significant degree—destroyed by this decision of the oil companies, one year later.

Now I say to the hon. Minister, and I am not going to argue the point any further, and

I say it to the hon. Prime Minister, that while I agree that we cannot have inflexible sort of plans that cannot be altered forever, if our plans are such that they are going to be altered, in this fundamental way, within one year, by powerful corporations that come in and use the machinery to meet their own purposes, then we might just as well quit making plans, because we are misleading people.

Hon. Mr. Frost: What is the solution? Give us the solution.

Mr. MacDonald: The solution as suggested by Mr. Young is to not let big corporations come in and push everybody around.

Hon. Mr. Frost: I think that is completely unfair.

Hon. W. K. Warrender (Minister of Municipal Affairs): May I say a word on that point? Now once again the hon. member from York South (Mr. MacDonald) leaves the impression that these big corporations have come in, and in some underhanded way have deliberately upset the planning in that area. Now such is not the case.

The case is as the hon. member for Halton has said. It was thoroughly reviewed by these boards. They decided to make a change, even though there might have been only one year's lapse of time, but the fact is that public hearings were held before the Ontario municipal board, and when I hear him say, even by innuendo, that somebody got to the municipal board, that these corporations had something to do with changing their minds as to the zoning there, I do not like it, because that is what the inference is.

Hon. Mr. Frost: Or to the municipal council or planning board. These are honest people.

Hon. Mr. Warrender: Certainly. These men who sat on the municipal board—

Mr. MacDonald: The hon. members of this government are past masters at it. Let them go and read their innuendoes. You are past masters at it.

Hon. Mr. Warrender: Well, we can only come to one conclusion from what the hon. member has said, and that is that somebody got to the councils and to the municipal board, and I say that is a false statement to make, and it is incorrect to leave that innuendo with this House, and I want to have that corrected.

These men who sat on the municipal board, sat I think, for about three days—

Mr. MacDonald: Seven days.

Hon. Mr. Warrender: Well, seven days. That is even better. In other words, they had a full hearing. Everyone had his fair day in court.

Mr. MacDonald: And brought down a written report at 11 o'clock the next morning before they had even time to read the evidence that had been submitted.

Hon. Mr. Warrender: Now that just goes to show us, once again, as I say, that the hon. member has made up his mind that in some way, he is going to smear, not only the council but also the municipal board.

I say to him that those people, all sides, had a fair chance to be heard, and even though it might have appeared that the municipal board came to a conclusion very, very quickly, nevertheless, I have had a chance to read their reasons for judgment, and those reasons have not been seriously challenged by any thinking person in that area.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, I would like to reply to the hon. Minister when he is talking about corporations. I remember last year, when the hon. Minister introduced a new assessment for the gas pipe lines, he admitted himself, in the committee, that he and the department officials had discussed with the gas companies for over two years what that would be, and yet the local municipalities were never consulted at all.

Now then, he should be the last one to talk about corporations.

Hon. Mr. Warrender: When the hon. member says that, does he suggest that my predecessor and I were swayed by these big corporations? I say to him, such is not the case, for the fact is that when we saw a change had to be made, we made it on two different occasions in order to fit in with the wishes of the local people.

Mr. Thomas: But the hon. Minister admitted that he had discussed that with the corporations, or the gas companies, for over two years and the local municipalities had never been consulted.

Hon. Mr. Warrender: So what?

Mr. MacDonald: What does he mean, so what?

Mr. Thomas: So what? I say of course they should.

Hon. Mr. Warrender: Does that mean that my predecessor and I were swayed by these corporations? Certainly not.

Mr. Thomas: So what, and then he is talking about corporations, so what.

Hon. Mr. Warrender: That is another smear.

Mr. Thomas: It is true, is it not? Of course it is.

Mr. Chairman: Being 12:45 of the clock, I do now . . .

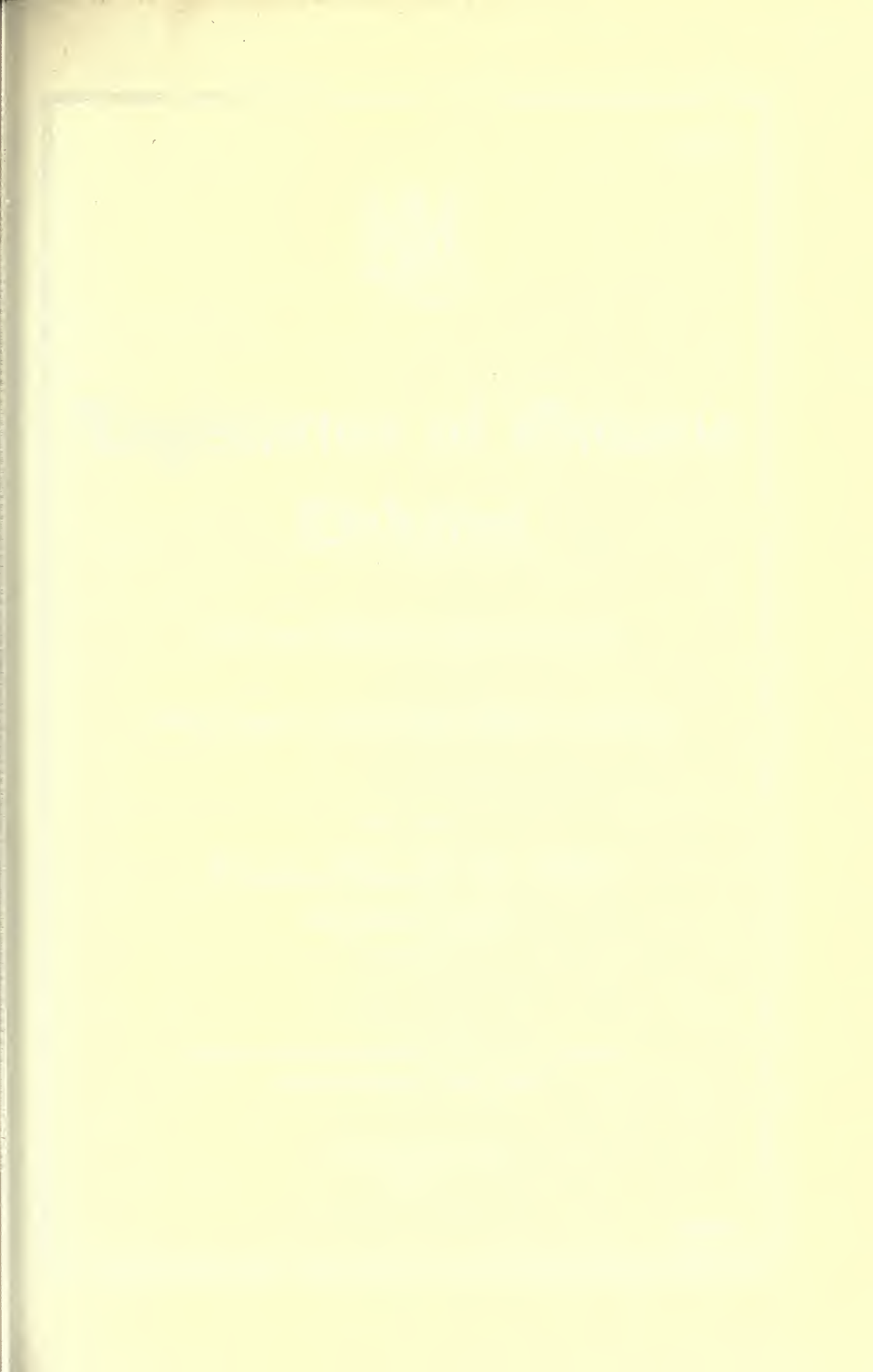
Hon. Mr. Frost: I would just like to say one thing before the termination of this. I am perfectly prepared to do this. I have given, I can assure the House, a long time

on the question of the procedure to be followed at the time of an alteration of a plan, if a plan is to be altered.

Now I am perfectly prepared to do this. I have talked to people, I have corresponded with them, I have asked them their viewpoints in connection with it. I am prepared to take the sections that provide for the change or alteration of a plan, and submit it at once to the municipal committee of this House, and see if the hon. members of this House—including the hon. member for York South—can come up with a better system or systems that will work in connection with it.

I am perfectly prepared to do that. I would like to find it, if there is a better way. If we find one, I will carry it through, I can assure hon. members.

It being 12:45 of the clock, p.m., the House took recess.





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Friday, March 14, 1958
Afternoon Session

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, MARCH 14, 1958

2 O'CLOCK P.M.

The House resumed.

An hon. member: Is the vote carried?

Mr. Chairman: No.

Hon. L. M. Frost (Prime Minister): Mr. Chairman, I had made a previous arrangement to have some of the hon. members speak on the Throne debate this afternoon, and I move that the committee rise and report progress.

Mr. F. R. Oliver (Leader of the Opposition): We never know from hour to hour what the hon. Prime Minister is going to do—

Hon. Mr. Frost: Well, I would say to my hon. friend that I distinctly told him that I would have the resumption of debate on the speech from the Throne in the afternoon, and estimates in the morning, and I always carry that out.

An hon. member: Is the hon. Prime Minister tired?

Another hon. member: Does he have to go home?

Hon. Mr. Frost: My hon. friend was complaining before, so that is what we are going to do.

Mr. Oliver: Well, calmly, can I get from my hon. friend whether he intends to go on the Throne debate all afternoon?

Hon. Mr. Frost: Yes.

Mr. Oliver: There will be no more estimates today?

Hon. Mr. Frost: No.

Hon. Mr. Frost moves that the committee do rise and report progress.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: The committee of supply begs to report progress and begs leave to sit again.

Report agreed to.

Hon. Mr. Frost: Mr. Speaker, if you will revert to the orders of the day, I might say

that I have made tentative arrangements to unveil the portrait of hon. Mr. Hepburn here at 2 o'clock on Tuesday afternoon. Mrs. Hepburn has very kindly consented to be present with some of her relatives. Now, if there is any change, I will let the hon. members of the House know.

Sir, we will proceed with Throne debate.

SPEECH FROM THE THRONE

Mr. G. J. Monaghan (Sudbury): It is my pleasure and honour to be able to add my voice to those of hon. members who have preceded me in this debate, and who have commended you for the immeasurable contribution you have brought to the direction of the business of this assembly.

I would also like to congratulate the hon. member for Middlesex South (Mr. Allen) for his appointment as Deputy Speaker, and wish him all the success he deserves in the exercise of his duties.

I am particularly happy to avail myself of this opportunity to congratulate the hon. member for Cochrane South (Mr. Spooner) on his elevation to the cabinet as hon. Minister of Mines. His vast experience in the field of municipal affairs, and his knowledge of mining and its relationship to the development of the north, will be of great value to this province.

The appointment of the new hon. Minister of Reform Institutions (Mr. Dymond) was well received throughout the province, and I am indeed very happy to be able to congratulate him on the floor of this House.

The new hon. Minister's department has adopted a most realistic approach to the question of reform, and from what I have seen and been told, its policies are going a long way in an effort to rehabilitate the men in its care.

To the hon. Minister of Lands and Forests (Mr. Mapledoram) I would like to say thanks for the marvellous northern tour he organized and carried out for the hon. members of this House last year.

It is unfortunate that more hon. members from the southern ridings were not able to avail themselves of this opportunity.

These tours are by no means "pleasure jaunts." They are highly educational, and last year's trip I would call a "crash" programme of education to the hon. members of southern constituencies, on the problems inherent to the northern regions of our province.

Mr. Speaker, I hope that the hon. Minister of Lands and Forests is planning further trips to the north, so that in time all hon. members from southern Ontario will have had an opportunity to make themselves familiar with the need for a better understanding of the special requirements of the north.

And now, I would like to express to the hon. Minister of Public Works (Mr. Griesinger) the thanks of the people of my riding, as well as my own, for his having fulfilled a promise made a few years ago relative to the expansion of courthouse facilities in Sudbury. Notwithstanding a heavy backlog of works commitments, the hon. Minister saw to it that this most reasonable request was given a priority rating.

And, in speaking of reasonable requests, Mr. Speaker, there is one item on which I would like to elaborate at this time. I refer to the pressing need for the establishment, in Sudbury, of a branch of the workmen's compensation board to take care of the rapidly increasing number of claims arising from the vast industrial expansion of the Sudbury-Algonia area.

This area now comprises a population of well over 100,000 people, for the most part employed in mining operations.

It is not possible to expect the very large number of claims, arising from this extraordinary industrial expansion, to be processed with sufficient diligence, because of the distance separating us from board headquarters in Toronto, or for that matter from the branch office in North Bay.

I suggest, Mr. Speaker, that statistics on the number of compensation cases emanating from Sudbury-Algonia will more than confirm what I have just said.

But I am not only asking for the establishment of an assessment branch, I believe the board should also establish a rehabilitation centre in Sudbury—the number of cases warrants this—and so do away with the long trip to Malton, where the board's rehabilitation centre is located.

This request, Mr. Speaker, is not out of line because there are several precedents, cases where either the provincial or the federal governments have established branches

of their services at Sudbury. They chose Sudbury because of its ideal geographical location.

For example, The Department of Municipal Affairs has just opened an assessment office in Sudbury. A few years ago, the federal Department of Revenue moved its income tax inspectorate from Parry Sound to Sudbury.

So, I say that, with hundreds of active compensation cases in Sudbury alone, and with the advent of the Blind River uranium industry to the west, the number of active cases is bound to increase sharply, and the situation, I suggest, should be met as soon as possible.

And just as it was found sensible to decentralize the provincial institutions and build new units in locations where they would do the most good by minimizing the inconveniences to the patients, I say that the same policy should apply to compensation cases, especially those calling for rehabilitation treatment.

At this point, Mr. Speaker, I would like to fully underline these remarks with words of greater wisdom than it is my privilege to command. These words were written by one of Canada's most quoted editorial writers. He is a former member of our great press gallery, and he writes for one of Canada's most authoritative dailies, the *Sudbury Daily Star*.

Here is what the editorial writer had to say about the question of our needs in the Sudbury area: I quote from an editorial which appeared in the *Sudbury Daily Star* quite recently:

ONE OF OUR NEEDS

There is a great concentration of workers in the Sudbury-Elliott Lake districts running into several thousand people. But the Ontario government seems to be unaware of the fact, judging by the lack of workmen's compensation board facilities in this area.

A news story in the *Sudbury Star* on Saturday told of the board's hospital and rehabilitation centre at Malton. In 1946, a total of 3,722 persons were admitted. They stayed on an average of 42 days. The news story told of the construction of a new \$6 million hospital on the northern outskirts of Toronto. It will take care of 500 men at one time. The board also owns a \$4 million administration building on Toronto's waterfront.

This concentration of effort in the Toronto area is all very well, but it by no means meets the needs of northern Ontario and the Sudbury and Elliot Lake areas in particular.

There should be an administrative office of the workmen's compensation board, plus a medical and rehabilitation centre in Sudbury. As the largest city in northern Ontario, with the greatest concentration of workers in the north, Sudbury has most certainly been overlooked in this respect. The Ontario government can remedy the situation by seeing to it that this area has better service in workmen's compensation cases from the administrative side and a treatment centre for the temporary care, at least, of ill and injured workmen.

Mr. Speaker, these are not unreasonable words. The ideas are constructive. The need for an office and treatment facilities of the workmen's compensation board in Sudbury cannot be denied.

So I emphasize that it is essential that such facilities be not denied my constituency. I will go further and suggest that the need is imperative, and I cannot see any reason why positive action should not be taken immediately to correct a situation which should never have been permitted to develop.

Mr. Speaker, the contributions of this government to the enhancement of all phases of education have been phenomenal. In the field of higher education, we have seen, since 1943, a great forward stride being made by our colleges and universities. We have considerably increased these facilities for higher learning, because the government realized that the time had come for us in Ontario to encourage the development and expansion of institutions of higher learning to take care of our own pupils in an atmosphere they liked and understood.

We have witnessed a gigantic forward step being recorded year after year by the older established universities. We have seen colleges become universities. We have seen the birth of new colleges. We have been amazed by the burgeoning and flowering of all of our institutions of higher learning to the point where today our facilities are not only attracting attention from all corners of the globe, but we ourselves have started to develop a sense of pride in their accomplishments.

I do not have to underline the necessity for more university graduates in the free world. I say that we, in Ontario, a long time ago, realized that such a necessity

existed. And I believe it only right that our government should be congratulated for its efforts in this direction.

We all realize it is a beginning, just as we all realize that our programme of loans to needy students is just a beginning.

And, Mr. Speaker, I know it is safe to say that this government's help to our universities, in the form of grants—regular or special—is just a beginning; and that our first and only university in northern Ontario, the University of Sudbury, will in the course of the coming fiscal year, receive the much needed financial assistance from the government to help it consolidate its efforts at diffusing higher education among the eager student population of northern Ontario.

I predict, Mr. Speaker, that in the course of a very few years, this new university will be turning out geologists, engineers, physicists and technicians who will take on the responsibilities associated with the management of the mammoth mineral empire of the north.

I will even be bolder and predict that, in the next 20 years, a large proportion of our scientific staff in the spreading mining and pulp and paper industries of our north shall be the products of our universities of northern Ontario; that of Sudbury and the coming Lakehead university in the bailiwick of our fellow hon. members from Fort William and Port Arthur.

At any rate, Mr. Speaker, I only hope that my enthusiasm shall be shared by the hon. Minister of Education (Mr. Dunlop) and the hon. Provincial Treasurer (Mr. Frost), and that they will get their handsome heads together, before the start of the coming fiscal year, and decide that the "University of Sudbury" should receive a whopping big launching, financially speaking, in its exciting voyage into the field of enlightenment.

Mr. Speaker, the biggest item in the minds of the largest possible number of people residing in northern Ontario is roads.

Up north, we do not call them highways, or trunk roads, or turnpikes or Queen's highways. Any kind of a roadbed that will guarantee the safe passage of a motor vehicle from point "A" to point "B" is a road. And the completion of one of these safe passages between any two points is cause for great celebration in an area that has suffered, since time immemorial, from a bad case of claustrophobia, a feeling of being hemmed-in, that was brought about by a singular lack of road communications. However, this government has been doing something about it.

municipalities outside the property of the employing industry.

It was recognized by the government that the municipalities which provided the municipal services to these employees such as education, health, welfare, roads, protection to persons and property, utilities, etc., should receive some form of taxation benefit from the industry. While no change was made to this outmoded form of taxation which exempted mining industries from municipal assessment, the government realized that additional revenue must be received by the mining municipalities and recognized that it should relate in some measure to the employees of the industry. Pursuant to this, regulations were passed in 1952 and were put into effect.

It was found by the mining municipalities that while the regulations of 1952 were a big improvement the amount derived was still not adequate and the government saw fit in 1956 to amend these regulations to provide additional revenue. The new provisions provided that a grant for a miner residing in a municipality and working at outside mines would be increased from \$25 to \$40; the assessment of a mining employee residing in a mining municipality and working in a mine within that municipality would be increased from \$1,100 to \$1,600, and the mining employee residing outside of the mining municipality but employed in a mine within the municipality would be increased from \$550 to \$800.

While this was a most acceptable change, the government, however, added section 1(1) which stated that a mining employee in a mine or mineral work did not include smelter workers. This amendment did not define smelter workers so that it was impossible to determine the number of non-smelter workers upon which the mining revenue payment should be based.

As the only smelter workers in the province that came under this amendment were in the Sudbury district, the mining municipalities of this area considered this a bit unfair in that the regulations were passed without having a representative from this district present at any of the discussions prior to its passing. In addition, this deletion of smelter workers meant a substantial financial loss to the mining municipalities of this area.

We were led to believe that the elimination of smelter workers was based on the fact that smelters were assessable and therefore if the plant, buildings, certain machinery and a manufacturing business tax of 60 per cent. were levied, then the municipality con-

cerned should not be also entitled to a grant in lieu thereof. These principals we recognize; however, it must be pointed out that:

(a) There is no definition of a smelter. Where, for instance, at the Copper Cliff plants does smelting begin and end?

(b) These smelters are entirely within the confines of company towns such as Copper Cliff, Coniston, and Falconbridge, where the major policies of the municipality including its assessment roll are dictated by the mining company.

(c) There is no specific wording in The Assessment Act which states that smelters are or are not assessable, and decisions already received from the courts would not appear to be helpful in the determination of the question.

(d) If they are held to be assessable, they will not even then assist those municipalities which are acting as dormitories for the employees of the mining industry, unless there is amalgamation.

(e) The Sudbury area mining companies own practically all the land within the mining company towns and will not open it up for general subdivision purposes, so that these mining company towns are not housing their fair share of employees. Because of this controlled and restricted housing policy the non-mining company municipalities such as Sudbury, McKim, Neelon and Garson, are forced to provide the costly municipal services required for these employees. We doubt if there is such a parallel in the province.

As ore is a wasting asset, the life of the mines, and therefore its municipalities, is of a shorter duration than most industrial cities. Consequently, the ratio of industrial taxation in mining municipalities should be higher. There is no logic or fairness in the city of Sudbury having only a 9.1 per cent. industrial assessment. It should at least be on a par with the following 17 municipalities whose ratios of industrial assessment are:

<i>Municipality</i>	<i>Population</i>	<i>Industrial Percentage</i>
Sudbury	47,701	9.10
Leaside	16,590	41.97
Fort William	39,438	39.50
Port Arthur	37,426	38.70
Sault Ste. Marie.....	38,426	35.00
Oshawa	49,709	32.16
Windsor	119,330	32.11
Cornwall	40,511	31.00
Hamilton	234,234	28.12
Waterloo	17,362	26.52
Welland	16,736	26.18

<i>Municipality</i>	<i>Population</i>	<i>Industrial Percentage</i>
Galt	23,702	25.85
Sarnia	45,000	23.73
Peterborough	41,908	23.67
Guelph	33,526	20.01
Niagara Falls	23,818	18.64
Kitchener	59,354	17.37
London	101,866	16.83

Mr. Speaker, we have yet to be faced with additional schools, sewage works, waterworks, roads and walks, etc., and the present debt of McKim, Neelon and Garson townships is already over 23 per cent. of their equalized assessment.

Now, I believe that all of this is so complicated that there are few of the hon. members who could make head or tail out of this labyrinth of formulas. And it should be remembered that all of the foregoing is but a palliative imposed by the province in lieu of permitting the affected municipalities from imposing their own taxation on the industries responsible for the problems that exist in these municipalities.

Mr. Speaker, the bugbear is subsection 4 of section 33 of The Assessment Act which exempts mining plants from municipal taxation. This is how it reads:

(4) The buildings, plant and machinery in, on, or under mineral land, and used mainly for obtaining minerals from the ground, or storing the same, and concentrators and sampling plant, and, subject to subsection 7, the minerals in, on, or under such land shall not be assessable.

In the course of my speech last year, I asked that corrective legislation be introduced at the session, but I realize that my request seemingly came in a little too late to enable the government to act. However, a whole year has passed and we are again discussing the business of the province. I feel sure that the question will be settled at this meeting of the Legislature.

The city of Sudbury has a population of 48,000. It is completely surrounded by another municipality, the township of McKim. With the growth of the nickel-copper industry, new municipalities were born to take care of the increasing number of people flocking to the area.

Now the growth of these municipalities has brought about problems that cannot be solved on the basis of individual effort insofar as these municipalities are concerned.

Such important matters as water, sewage disposal, education, roads, fire and police

protection would be better handled on an area basis than on the haphazard system that has obtained up to now.

The question of amalgamation has been the result of hearings by the municipal board. These hearings have been adjourned until April 14. When these hearings resume, this fourth session of the twenty-fifth Legislature will be over.

The reason why it was requested that the hearing not go on, was because the people concerned in the area I represent, wanted to see what action the government was taking with regard to educational and highway grants and the changing of this outmoded section of The Assessment Act.

Mr. Speaker, I suggest that no matter what the decision of the board is, no matter what is eventually to happen with regard to the local government set-up in the Sudbury basin, the fact still remains that no satisfactory assessment arrangement can be arrived at unless sub-section 4 of section 33 of The Assessment Act is completely deleted. That is the only way our municipalities can properly manage their affairs, because only then can they make long-range plans.

And to this end, I ask the government to so act at this session of the Legislature that the way will be open to the municipalities to assess, for municipal purposes, the surface facilities of the mining and refining industries of the Sudbury basin, a thing they cannot do now on account of subsection 4, section 33, of The Assessment Act.

Mr. Speaker, we should be permitted to assess for municipal purposes our industry just as municipalities in southern Ontario assess theirs. Do not forget that the legislation exempting the mining industry from taxation was passed in 1910—48 years ago.

Now, Mr. Speaker, I want to make it perfectly clear that my remarks are not directed as an attack on the hon. Minister of Municipal Affairs (Mr. Warrender) or the government. Since I delivered my speech in the House last year, on different occasions, I sat with the hon. Ministers concerned and discussed these problems and I feel that they have given me wonderful co-operation and I am confident, that when this House rises, this amendment will have become law.

I want to thank the hon. Minister of Municipal Affairs and the hon. Minister of Mines for the co-operation that they have given me during the past year.

Now, Mr. Speaker, I have, in the course of my remarks, refrained from commenting on questions of a wider application. I thought

that I should, as the member for Sudbury, explain the problems that are particular to my riding. They are big problems to us, just as I know that those mentioned here by other hon. members, insofar as their ridings are concerned, are major problems to them.

I would have elaborated in my speech to this House on the great need for the construction of the Sudbury-Timmins highway, but I understand that this proposed highway is being given more favourable consideration at the present time than ever before, and so I am going to leave this matter in the capable hands of the hon. Prime Minister and the hon. Minister of Highways, with the hope that this long-awaited dream will soon become a reality.

In conclusion, may I say, that it was a great pleasure for me to listen to our hon. Prime Minister, bring down at this session of 1958, the finest budget this province has ever known. Having a great deal of confidence in our great leader, I am sure that the needs of northern Ontario will not be forgotten and that a sizeable portion of the finances required for our end of the province will be directed our way.

Mr. Speaker, I do hope that the points I have brought before this House today will not have fallen on deaf ears, but will receive the attention, now, that they have so long deserved.

Mr. P. Manley (Stormont): Mr. Speaker, it is indeed an honour and a privilege for me to have the opportunity at this time to take part in this Throne speech debate.

First of all, let me say that all of us, and I in particular, want to thank you and congratulate you for the manner in which you preside and conduct the proceedings of this House.

I would also like, at this time, to congratulate the hon. member for Middlesex South (Mr. Allen) in the high position he occupies as Deputy Speaker, and the impartial way in which he discharges his duty. My warmest feelings and good fellowship are extended to the new hon. members who have taken their seats for the first time this session. The hon. member for Peel (Mr. Kennedy) in moving the address in reply to the speech from the Throne, touched the hearts of all the hon. members of this House in the elegant manner in which he reviewed his long experience as a public servant of this province. We all express the hope that he will enjoy many more years of good health.

To the hon. member for Glengarry (Mr. Guindon), I say that it was an honour to him,

and to the people of Glengarry, that he be chosen to second the address so well prepared, by the government of the day.

Mr. Speaker, we have heard unlimited words of praise dropped from the lips of all hon. speakers on the government side of the House, on the record of this government. Praise upon praise has been heaped upon the hon. Prime Minister (Mr. Frost) of this province, but I want to say to you, Mr. Speaker, and to the hon. members of this House, that no man deserves more credit and commands more respect than the leader of the Opposition (Mr. Oliver), and the hon. member for Brant (Mr. Nixon), for their long public service in this province. Their capacity as members of the Opposition have brought untold experience and benefit to this great province. Their scrutiny and their alertness to the everyday problems of government have contributed to the betterment of Ontario beyond the ability of you and I to assess.

Mr. Speaker, one of the most important things, I think, that has been discussed in this House, and something that concerns us all, is the matter of unemployment. If I might, I would like to deal with it for a moment now, and I would want to refer, if I could, to first, the position that we find ourselves in the city of Cornwall and the county of Stormont. Looking at the report of the Cornwall local unemployment office, as of February 1, 1958, there were 5,000 persons unemployed, while in the December report, 1957, there were 3,223. That is quite an increase in unemployment during that period of time.

In speaking on this unemployment matter, I want to refer to the budget speech of the hon. Provincial Treasurer. On page 382 of *Hansard*, February 26, 1958, the budget speech condensed 30 highlights to 4 major highlights. The main one, the hon. Provincial Treasurer said, was the provisions we are making for employment, an expansion of employment in this province of ours. In discussing the provisions for unemployment, he mentioned built-in stabilizers in the economy which have tended to minimize the effect of the current unemployment crisis. The stabilizers cited were: unemployment insurance, old age pensions, old age assistance and the means test, disabled persons' pensions, blind persons' pensions.

Now on page 383 of *Hansard*, the hon. Provincial Treasurer spoke at some length on the number of job opportunities created by various departments of government, and the various undertakings of government commissions, and other intimations of government

and the municipalities that are heavily subsidized by this government.

In the fiscal year ending March 31, 1958, he said that 215,000 jobs had been provided in the coming year, 1958-1959. He predicted that 235,000 jobs would be created. Now just what did he mean when he spoke of 215,000 jobs? What groups did he include? Was he talking about the number of civil servants, Hydro employees, liquor control and Brewers' Warehouse employees, lands and forest personnel, and provincial police? Was he including school teachers? Just how did he arrive at the figure of 215,000 jobs in the current year? Are these jobs full-time or part-time? How many are full-time and how many are part-time? Does the so-called increase of 20,000 job opportunities in the next fiscal year, represent the normal growth of all government departments, boards, commissions and municipal systems? Just what specific projects did the hon. Provincial Treasurer have in mind when he spoke of this budget as an unemployment budget? Will the hon. Provincial Treasurer name the specific projects created especially for the purpose of alleviating the present unemployment crisis?

Now, Mr. Speaker, we have had other people name this particular budget. I am glad to see the hon. member for Grenville-Dundas (Mr. Cass) in his seat because I read a report in the paper not so very long ago, a few days ago in fact, where speaking in his riding, he called this a "pre-election budget," and in that article also, he did say that there would be an election in the provincial field this year, in either June, or if it did not take place in June, it was going to take place in October or November.

Now what I want to know, Mr. Speaker, is this. Is the policy of the hon. Prime Minister to have the members of his government go about the province and announce dates of an election? I always thought that that was the sole duty of the hon. Prime Minister himself.

An hon. member: And the Opposition.

Mr. Manley: Of course, I would say that this is a different departure from what we usually have seen, and I think that, if there is going to be an election in June, the hon. Prime Minister should inform the House to that effect before we prorogue and go back to our own particular areas.

Mr. Speaker, Cornwall is a city with a number of industries which have contributed greatly to the growth of eastern Ontario. These industries concern themselves with the

welfare of their employees, and the general good of the whole community. Nowhere in this province can one find a better relationship between employer and employee than in the city of Cornwall.

I am sorry to say that the textile industry in Cornwall is experiencing a recession, and this government, Mr. Speaker, did not help the situation any by imposing additional corporation taxes last year. The Diefenbaker government at Ottawa failed to do anything to relieve the problems facing our industry, since they took office last June.

Unemployment figures are increasing rapidly in my area, owing to the fact that different phases of the power project are nearing completion. Now, Mr. Speaker, we have heard time and again, many people in that part of the area, and many speakers coming into that part of the area, saying that, with the completion of the power development and seaway, we should have more industry established there.

Now I say that this government has failed eastern Ontario in not setting aside a block of cheap power for industry that might establish in that particular part of the area. I believe that New York state has set aside a block of power with the result that several new industries have established just across the river, while we got none.

Now, we have a great number of people come into our area with the development, with the result that we are faced with many additional problems confronting the municipal councils, children's aid societies, welfare agencies, police departments and the courts. The city of Cornwall is doing what it can to bring industry within its enlarged boundaries. It has engaged a full-time industrial commissioner. It is acquiring land to be serviced. It is steadily laying the foundations for future industrial expansion.

The Department of Planning and Development in this government should be sincere, in their suggestions, that eastern Ontario is the gateway into this great province. Fine talk by government leaders does not put the bread and butter on the tables of the unemployed of this province.

With the power development and annexation, Cornwall is faced with many problems. We have great new large subdivisions; land has to be serviced; new streets have to be built; new sidewalks must be constructed.

The power development interfering with the supply of water forced the city to erect a new filtration plant. If our area wants to benefit from the seaway and power develop-

ment to the fullest, it means Cornwall should have a seaport and an airfield.

All those services I have mentioned entail large sums of money to be expended by the municipalities. Those monies should be made available by governments at very low interest rates, because it is for the betterment of the country and the welfare of the people.

Now, Mr. Speaker, the next thing that I want to deal with, if I might at this time—and I have talked about it on other occasions in the House—is something that is of concern, I think, to not only the eastern part of the province, but the whole province of Ontario, because there has been a lot said about it on different occasions, and that is highway No. 401.

To go back a bit, I would like to refer to the time when the highway was first established as highway No. 401 in this province. I will go back to the 23rd Legislature of the province of Ontario, on February 22, 1951, and I am quoting Mr. G. Doucett, the Minister of Highways at that time.

We propose to initiate a programme that ultimately will give to Ontario a modern dual-lane highway from Windsor to the Quebec border. This part of the programme will do more to establish a true highway of high standards, which has become an obvious necessity. The whole great Windsor area will be given means of ingress and egress consistent with its great and growing importance in the fields of industry, commerce and agriculture.

Thus, also, there will be formal and practical recognition of Windsor as one of our great ports of entry.

Needless to say, the new highway will be so routed as to serve vast stretches of our province, now without adequate, true accommodation. For example, the areas centred around Chatham, London, Woodstock, Brantford, Galt and Kitchener, will all feel the benefits of the proposed route. We shall furnish means for through traffic to pass to the north of Toronto, speeding the motorist to his destination, eliminating his battle through 30 miles or more of crowded streets, and at the same time help to solve a most trying municipal problem, that of an increasing and intolerable congestion.

Our existing dual-lane highway will be extended easterly from Oshawa.

The former Minister of Highways announced on May 22, 1950, that The Department of Highways would construct a trans-provincial expressway to be known as high-

way No. 401. This was the first mention by the government of the construction of this road.

On Tuesday, February 25, 1958, in answer to a question on the order paper, the hon. Minister of Highways (Mr. Allan) replied that—and that was my question, by the way—on January 1, 1958, 175.2 miles of this 507-mile highway had been completed.

However, it must be remembered that approximately 33 miles of highway No. 401 is that portion between Toronto and Oshawa. This part was completed and opened to traffic on December 3, 1947, more than two years before highway No. 401 was announced.

Therefore, in 8 years, since the announcement of it, the government has completed 175.2 minus 33 miles, or 142 miles, a yearly average of 18 miles. According to the hon. Minister, on January 1, 1956, there were 86.95 miles of highway No. 401 completed, so that of the 142.2 miles completed since 1950, some 89 miles have been completed in the last two years.

Now, in the 1958 construction season, the hon. Minister states that he expects to complete and open an additional 50.12 miles, composed of the following sections: highway No. 98 to Windsor, 4.93 miles; highway No. 27 to highway No. 10, 6.64 miles; highway No. 30 to highway No. 33, 9.68 miles; highway No. 15 to Joiceville sideroad, 5.60 miles; and highway No. 33 to sideroad west of Maryville, 23.27 miles.

Now it is estimated that the highway will be completed by 1966. It is noted that there is no part of highway No. 401 expected to be completed and open in eastern Ontario in the coming year. Now that is a very sad mistake, I think, as far as highway No. 401 is concerned, because all kinds of pressure, Mr. Speaker, have been brought upon the department, both locally—I think that the toll roads committee, in presenting their report to this House, did say that the building of highway No. 401 should be accelerated, and that eastern Ontario should have high priority as far as roads in this province were concerned.

Of course, to give hon. members a little idea as to just how people feel in eastern Ontario, and what the press says about it, I would just like to read one or two things from this particular editorial and it is called: EASTERN ONTARIO AND HIGHWAY No. 401

They are reporting here first from the toll roads committee's report, and they say:

We quote from the report. The great need for an accelerated programme for this

highway cannot be over-emphasized. The highway route used at present, which will be relieved by highway No. 401, is being called upon to carry traffic in excess of its capabilities, and with certain sections, as much as 3 times its capabilities.

In view of this, an accelerated construction is required which will provide a completed length from Windsor to the Quebec boundary as soon as available staff and funds will permit.

Then it goes on to mention the report that the hon. Minister presented to the House last year and it says:

Once again there has been no mention of work being done in the eastern Ontario area of highway No. 401. This is just one more pill of disappointment for residents of the forgotten portion of the province to swallow. It was hardly unexpected, however, in view of the advance information contained in the 1957-1958 budget white paper.

Nevertheless, being forewarned has done little to soften the blow which, in this case, time only aggravates.

Now, further to that, Mr. Speaker, I want to quote something again from an editorial, and this has to do with a man who is very attentive in the press galleries here, a man I think that we do rely upon, who is very honest in his report of what does take place here, and this is Mr. Don O'Hearn. The heading is:

DOUBTFUL DISTINCTION FOR No. 2 HIGHWAY

Mr. Don O'Hearn, veteran newspaper man for some years, has been intimately associated with provincial affairs. He has corresponded at Queen's Park, Toronto for several years, and his articles have appeared in a number of publications, including the *Cornwall Standard-Freeholder*. Mr. O'Hearn has travelled extensively by automobile throughout the province during the course of his duties.

Recently, he drove to Cornwall on business, and in his Queen's Park column, which is published in many newspapers, he had this to say:

"Worst highway in the province . . . The honour still goes to highway No. 2 between Kingston and Cornwall. It is a tribute to the motorists of today that there are not more accidents than there are.

"The only safe thing about the highway is that no one can go fast on it. A

combination of circumstances, mainly involving the seaway, has held up improvement of the road, of course, but you could not blame people in the area if they never sent back a government supporter."

That is what Don O'Hearn had to say.

Now, I admit, Mr. Speaker, that considerable work has been done in the county of Stormont, with the reallocation of highway No. 2. Still I want to point out to this House, at this time, that the portion from Cornwall to the Quebec border is one of the worst death traps that there is anywhere in the province of Ontario, and I think that eastern Ontario is deserving of some attention.

We do see headline after headline about it. In fact, I have another paper here, which contains comments from different motorists going over this highway. They complain that it is the worst road anywhere, the worst they have ever driven on. They say that, if they want to pass, they are breaking the law and it means that if they do pass, they are under great hazards of accidents.

I want to say to the hon. Minister of Highways now, that I think, in all due respect, if we are going to consider the development of this province, this part of the highway, I think, is one that should have immediate attention by his department.

Mr. Speaker, I have mentioned another highway on different occasions in the House. It is one, I think which is very important. The hon. Minister has commented on such a highway on several occasions. It is a north-south highway from Cornwall connecting the city of Ottawa. Now we have a bridge at Cornwall. It is a port of entry from the state of New York, and it is interesting to note that during 1957 some 490,810 vehicles crossed that bridge, with 1,741,814 passengers.

We have a great number of tourists coming over the bridge, and people who are visiting the project and the seaway development, and naturally, a lot of those people would like to visit the capital city of this great Dominion. But, not having a road to go north, they go on down into the province of Quebec.

In addition to that, Mr. Speaker, we did lose the New York Central Railway that ran through there. It was able to handle freight and the different produce going to the markets from that area, and to bring in the requirements of the people in those villages and the surrounding districts.

Now we have lost that railway and it appears to me that it is all the more important that something should be done as soon as possible on this road going north through our county.

Another thing I want to say to this House at this time—

Hon. J. N. Allan (Minister of Highways): Mr. Speaker, I wonder if the hon. member would permit a question? I would just like to ask him if he does not honestly agree with our plan in connection with those roads? He knows that we have definite plans for improving highway No. 2 east of Cornwall, which it is necessary to do, and I ask him if he does not feel that is the proper thing to do, rather than to begin a road immediately from Cornwall toward Ottawa?

Mr. Manley: Mr. Speaker, in answer to the hon. Minister, I did say a while ago, I think when I was speaking about highway No. 401, that I thought that highway No. 401 should have the priority from Cornwall east. I said that very thing.

But the people in that area have been promised and promised a road. It was in the press reports a year ago that it was going to be started a year ago. The same thing happened two years ago, and that is the question: Just when is the highway going to be started? When is it going to be built?

Hon. Mr. Allan: Let the hon. member wait until my estimates come down, and I will tell him.

Mr. Manley: Of course, again I say that it is important that this road should be started, that there should be some indication that those communities are going to be serviced with a road from Cornwall to Ottawa.

Now, if we look at the situation, we have a highway running north and south in the county of Glengarry. We have one again in the county of Dundas, and we have far more registrations when it comes to automobiles, in that county, than the other two counties together. Therefore, I think, in all due respect to the people in that county and the city of Cornwall, that they are entitled to a highway.

Now, I say that the hon. Minister has plans for building what we call the Prescott highway. There is a highway there, but he has said that it is going to get priority even before a road from Cornwall to Ottawa.

Well, I say in all sincerity to the hon. Minister, that if we had a highway as good as highway No. 16, connecting Ottawa and Cornwall, I think that we would not be press-

ing for it to be improved before someone else, in a more unfortunate position, would get a highway. I think, in all sincerity, that the hon. Minister should do something. By all means, let him get on with highway No. 401 from Cornwall east.

A year ago, Mr. Speaker, I did bring up in the Legislature, and I did it for several years, the matter of the seaway boundary between the province of Ontario and the province of Quebec. I pointed out, at that time, how our fishermen going into the stream east of Cornwall have been embarrassed on so many occasions by getting over into Quebec waters, and not knowing where the boundary was, and being hauled into court and paying fines, and all the rest of it.

Now, the hon. Prime Minister, a year ago, rose and replied to me that he thought that whenever the channel was completed, it would establish the boundary line. I do not think that it will, and, of course, if I wanted to take the time and read it into the record, I have a comment here just saying that very thing, but I do not want to unduly delay the time of the House this afternoon in that respect.

There is something I want to mention which was mentioned yesterday by the hon. member for Brantford (Mr. Gordon), when he was speaking on the Throne speech debate. He did refer to liquor problems in this province, and made some comments thereon. I do not want to enlarge on that. He dealt with it very well.

But I do want to say that I think the regulations of the liquor control board certainly need to be scrutinized and looked into.

I am going to refer the House, if I may, Mr. Speaker, to something right in my own area to point out one of the deficiencies I see in regulations as far as the outlet of liquor is concerned in this province. That is, the requirement for the building of hotels in this province.

Now, in a small village close to my home, we had the misfortune to lose our hotel a few years ago, and the owner at that time decided that he should build again, but when he looked into the regulations, and saw what he had to invest, he just could not do it.

In order for a man to build a hotel in an urban municipality where there is 100,000 population or more, he has to provide 50 bedrooms. In towns less than 100,000, he has to provide 20 bedrooms, and in all others 10.

Now, in this particular case, Mr. Speaker, this was a hotel in a small hamlet. It was providing the surrounding community with a

service that the people in that area always thought they needed. But I say in all sincerity that it is nonsense to me, for a man to have to provide 10 bedrooms to again establish a hotel in that particular place, because with our way of living and travelling today, I dare say that man would not have two guests to stay with him in a month. It seems that it is folly to expect men to invest up to \$100,000 in order to establish a beverage room in a small village, that he had already had, prior to the misfortune of having a fire.

Now again I could point out that in seaway valley we are losing I do not know how many hotels, but quite a number of them, for the very same simple reason that none of those men want to invest the amount of money that is required to come up to the regulations and the standards as set down by the liquor control board of Ontario.

Mr. W. H. Collings (Beaches): Mr. Speaker, I wonder if the hon. member would just change that to the liquor licence board?

Mr. Manley: Well, yes, the liquor licence board, pardon me. That is something, I think, that the liquor licence board should look into, because it is making it difficult for outlets to open in localities which had those privileges before fires occurred, or in the case of the seaway, flooding took place. In small hamlets of that kind, I think it is absolutely silly that we should have to have 10 rooms before we can obtain a licence to distribute beer.

Agriculture is another thing I want to speak about at this time. Agriculture is a subject that I am very much concerned with, because I am in that field myself, and, of course, we have a large number of farmers in the county of Stormont.

The hon. leader of the Opposition, in speaking on the Throne speech debate, brought something before this House that I would like to refer to because it is something we should certainly take a careful look at. That concerns the matter of corporations getting into the field of production.

Now I think that it was rightly said that we will soon have to determine whether we are going to have the farm individually owned and operated, or whether we will permit large corporations to take over these farms from the smaller farmers and make them tenants instead of owners. It is something on which this government should take action.

Another thing that I want to refer to is the position we find ourselves in now with regard to some of the marketing boards of this province, particularly the cheese producers' marketing board. They have had a

backing from this government for several years now, so that they could go to the banks and to the different money-lending institutions and they could get sufficient capital to carry on an orderly marketing programme in this province.

Now the hon. Minister of Agriculture (Mr. Goodfellow) announced last fall that that guarantee was not going to come through any longer. I am just wondering what the position of the cheese producers of this province is going to be in the coming year. I do not think there is any doubt in the minds of the cheese producers, all across this province, that something constructive should be worked out to assist them. The hon. Minister, I say in all sincerity, should take a look at this particular picture, and should again, do something to straighten away the present difficulties being experienced by the board. He should take away the cloud that is overshadowing their negotiations so that they can look after their output more easily.

Hon. W. A. Goodfellow (Minister of Agriculture): Might I ask the hon. member, who is very conversant with the cheese industry, if he would suggest that we should support the Quebec cheese producers again this year?

Mr. Manley: Well, in answer to the hon. Minister, I want to say that—and I think that I am right in this—as long as he and his department gave this backing to the cheese producers of the province of Ontario, it did not cost them any money.

Hon. Mr. Goodfellow: About two years ago it cost about \$275,000, which was written off by the Treasury.

Mr. Manley: Well, we did not have the same particular set-up at that time as we have had since, and it has contributed greatly and it has put a lot of money into the pockets of the cheese producers of this province. Regardless of whether the department did spend that small amount of money in guaranteeing a bank loan at that time, I say that it has paid for itself a good many times over in the assets that the cheese producers have received from that particular arrangement ever since.

While I agree that there are a number of different marketing boards calling upon the hon. Minister to give assistance of that kind, nevertheless he has been doing that, over a number of years, for the cheese producers. We are coming into the production season and the marketing board still does not know

where it is going. The producers of milk do not know what is going to happen this year. It is just a clouded issue straight through.

I say that, until something has been worked out, The Department of Agriculture should again look after the guarantees of the marketing board, so that we can have orderly marketing. The returns from the plants will go back into the pockets of the farmers of this province, because this is the time of year that they need their returns—when they are starting their spring operations—and I think the hon. Minister should come forward with those guarantees.

Mr. Speaker, it has been a very great pleasure for me to, I hope, make some contribution to this debate, and I thank you very much.

Mr. G. W. Parry (Kent West): Mr. Speaker, I was wondering whether it would be all right for me to continue. I will only be about 20 minutes or half an hour, if you can stand it that long.

First I want to congratulate you on the fine way that you handle this chamber. I also want to express my deep regrets on the passing of two hon. members who sat in this House last year, and took such an active part in the assembly. One, the hon. member for Huron (Mr. Pryde), was very active and assisted the Whip on many occasions here; the other was also our good friend, known to us all as "Tommy" Thomas.

Tommy Thomas was like a brother to me. I knew him when he graduated from college, and began his career as a county agricultural representative; all hon. members know the history of the late hon. Minister. He came into the House on June 4, 1954. He served as Minister of Public Works and then Minister of Agriculture.

I do want to congratulate the 4 new hon. members who were elected to this House in recent by-elections, namely Middlesex, Glengarry, Lanark and Elgin. I would say that they are a great addition to this House, and that they will be here for a considerable time to come. I know they will serve their constituents well.

I would like also to mention the grand old hon. member who moved the reply to the speech from the Throne, our colleague here, the hon. member for Peel (Mr. Kennedy). Fifty years of public life and political life is a very enviable record. I am sorry that he is not in his seat today, because I feel that everybody would like to pay him due respect.

The hon. member for Glengarry (Mr. Guindon) should be congratulated on the able way that he seconded the motion to the Throne speech.

It is only natural that I should say something about my county of Kent, which is recognized, without any doubt, the best county in the province of Ontario.

An hon. member: Only one of them.

Mr. Cowling: Where is that place?

Mr. Parry: There is some opposition, but not very much. It is weak.

First, however, I want to congratulate the hon. Prime Minister (Mr. Frost), the hon. Minister of Health (Mr. Phillips), the hon. Minister of Public Works (Mr. Griesinger) and all the other hon. Ministers for coming down into the best part of the province and building a new hospital. It was not because of George Parry, I am sure. It was because our riding had something to offer, that is why. If hon. members who doubt this will come down to Kent West, they will see we have a beautiful spot. In fact, if any hon. member happens to be driving through that part of the country, he should take highway No. 3 right through to Cedar Springs as far as Merton Inn. He will see the grand site we have for a hospital. It is 80 feet above water level, has good soil, and everything that goes with it.

Now as I said, I have farmed all my life and I wonder whether I should be farming, because so much gloom has been cast around. This gloom has caused me to wonder if I am in the right business, but I am proud of my profession and I think there is a place yet for the good farmers in this beautiful land of ours.

Because agriculture is such a big business today, we farmers have a great responsibility toward ourselves. Now, it is true that we have a government which is sympathetic to agriculture. I want to pay the hon. Minister of Agriculture (Mr. Goodfellow) respect on that score, because I have been here on several occasions and know what his thinking is along agriculture lines.

The reason why I say we are in big business is because, in 1957, the production was \$1,078,756,000. It plays a very important part in the economy of this great province of Ontario.

I think that I would be remiss if I did not mention the good work being carried out by the extension branch and its agricultural representatives. The agricultural rep-

representative is the key factor in bringing the findings of research to the level of the farm, and through him the strides that have been made in this connection have been tremendous.

In addition, the junior farmer programme carried out by this branch is making a very worthwhile contribution to agriculture. Through the junior farmers' association and the 4-H clubs, the farmers of tomorrow are being trained to take a place of leadership in the ranks of agriculture.

Farming is a satisfying way of life, particularly to those that love the land. The young people of today who turn to the land, and who are willing to work, need have no fear of the future.

What does agriculture mean to industry? Some idea of its importance will be realized when we consider the produce supplied to woollen mills, flour mills, sugar mills, and many other industries too numerous to mention.

I want to say something about surplus. I do not believe there is actually anything surplus in this world. We may be in difficulties through a little lack of distribution, and the only way that we can contend with this is to have orderly marketing. Now that is a job we have to do as farmers—institute a procedure of orderly marketing. That can be done by properly feeding the produce to a market that will absorb it.

None of us should have any fear of what the future will bring to the farmer. We have increased population. We are going to grow—it has been prophesied that we will have 10 million people within the next 10 years or 12 years. That means something to us, as agriculturists. That creates a home market for that much more volume of our produce.

I have expressed my feeling that, despite some setbacks, the future of agriculture looks bright indeed. The Ontario farmer can assure this in two ways: First, his willingness to adopt new techniques and place his operations on a business-like basis. Secondly, his willingness to take advantage of the development of new varieties that will increase his yields, to offset our reduced total acreage under cultivation.

I want to say something about research. I think the question was asked here: "What has the department done for research work?" All I would say, to my hon. friends and colleagues of this House, is to look about us and see what we have accomplished. Over the past 15 years, we have revolutionized our methods of farming. Fifteen years ago, most

of our wheat was harvested by a binder, and stooked and threshed by threshing machines. What a change we have made there!

Through development in research work, we have improved the quality of our grain as well as improved our methods of harvesting. Take wheat, for instance. I have some figures for the county of Kent, but I am not going to bore hon. members with a lot of figures. I merely want to give some idea of what we produce in the county of Kent.

Some 20 million bushels of wheat are produced in the province of Ontario. Of that, the county of Kent produces 2,308,200 bushels. We produce approximately 2 million bushels of oats.

An hon. member: A lot of oats.

Mr. Parry: A lot of hay too. I have the hay down here some place. Yes, hay, 77,200 tons. That is a lot of hay, Mr. Speaker.

Here is the important part of it. We are producing 10 million bushels of corn in the county of Kent, and that is a lot of corn. It would make a lot of corn "hootch", too, would it not?

These figures indicate what has been done through research work. I am speaking seriously about this. Look at how we have expanded the areas where they are growing improved seed corn. About 5 years ago, in this House, I mentioned hybrid seed corn. That has been brought about through research work.

I want, in this connection, to pay my greatest respects to the experimental units at Ottawa, Guelph, Ridgetown and Harrow. They have co-operated with the farmers in the test plots, resulting in the rapid improvement in production and quality of farm produce.

Mr. Speaker, I would particularly like to commend the government for its emphasis in the importance of brucellosis control. We know what that means to this great stock industry—I call it an industry—because it is vital to our method of farming today.

I have one or two other suggestions I would like to make.

A year ago, to be serious for a moment now, we sat in this House with much uncertainty, wondering whether our marketing Acts were constitutional. We have to give credit to this government that fought this through the Supreme Court and decided the validity of our marketing Acts. To me, hon. members, that is a step in the right direction.

But we have another little secret that I would like to divulge to the House.

This secret, in relation to this marketing plan, is this percentage of votes that shall carry. I want to say to the hon. members, that only 51 per cent. of those voting for any scheme dooms it to failure. It is not worth it. I was very pleased to see our wheat scheme carry with a substantial majority.

All of these 19 schemes we have today were approved by a substantial majority, and have the support of the members who are producing and putting their produce into these farm marketing schemes.

Now, let it not be said that we can run a marketing plan on a shoestring, because we have to have proper support. As farmers we have a job to do in going out and selling our scheme to our fellow farmers, and that can be done. The government has done its part in giving us the legislation whereby we can operate.

There is one thing that I regret to have to say: western Ontario has suffered a financial loss due to failure of some elevator companies. I feel that the position of the grower should not be impaired. To me, the matter is simple. Storage means storage and only storage. The grain so stored is still owned by the producer, and he should be given adequate protection.

I think this bill to protect the producer has had the first reading. I do hope that every hon. member in this House, regardless of his political affiliations, will support this bill. We are asking for some protection for stored grain.

I say there is no government than can prevent failures, there is no government that can set up legislation that will prevent that. But there is—and I think the hon. Attorney-General (Mr. Roberts) is quite in accord with this—legislation that can be set up to make sure you cannot fool with other people's property, and I believe that is just what this bill means.

This matter has given me considerable worry and anxiety, because a great number of farmers in my riding have been affected, and some people could ill afford this loss.

I want to congratulate those who sat in The Department of the Attorney-General, and The Department of Agriculture, and worked out a plan. This bill which is before the House has a considerable amount of effort behind it. There may be amendments to it next year, I do not know, but it certainly is a step in the right direction so that we do not have repetition of this improper

selling of property by people who do not own it.

I see the hon. Minister of Education (Mr. Dunlop) is here today, and I would like to say he is one of the better men—shall I say that? There is one thing I would suggest to the hon. Minister, about the coming increase in population. In the next 10 years; instead of having 5 million people, we may have 10 million people. Therefore, I would suggest he build new schools in proportion, so that we would have two-storey schools instead of one-storey schools. If 8 rooms are required now, he could build today in such a way that 8 years from now, it would be easy to have a 16-room school with a second-storey. I hope the hon. Minister will give that some consideration, because to me, from an economic standpoint, I think it is sound business. The way they are building some of the schools today, 20 years from now one would have to have a motorcycle to travel from one end to the other.

Hon. members have been very patient with me. I do not like speaking in the House this long. However, I hope that this gloom in agriculture will soon pass over, and that the farmers or agriculturists will realize that we have a job to do, and will do it well. I think it is up to us now to do our part to make this a better country in which to live. I thank you.

Mr. J. F. Edwards (Perth): I move the adjournment of the debate.

Motion agreed to.

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third reading, upon motions.

Bill No. 1, An Act respecting Windsor Jewish communal projects.

Bill No. 22, An Act respecting the city of Windsor.

Bill No. 26, An Act respecting the city of Toronto.

Bill No. 27, An Act respecting the Canadian National Exhibition Association.

Bill No. 28, An Act to incorporate the Chartered Institute of Secretaries of Joint Stock Companies and other Public Bodies in Ontario.

Bill No. 33, An Act respecting the corporation of the synod of Toronto and Kingston of the Presbyterian Church in Canada.

Bill No. 36, An Act respecting the township of Sunnidale.

Bill No. 39, An Act respecting the city of Ottawa.

Bill No. 43, An Act respecting the city of Niagara Falls.

Bill No. 44, An Act respecting the city of Sault Ste. Marie.

Bill No. 88, An Act respecting United Community Fund of Greater Toronto.

Mr. Speaker: Resolved that the bills do now pass and be intituled as in the motions.

Hon. Mr. Allan moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to; House in committee of the whole.

Hon. Mr. Allan: Mr. Chairman, I beg to inform the House that the Honourable the Lieutenant-Governor, having been informed of the subject matter of the proposed resolution, recommends it to the consideration of the House.

Clerk of the House: *Resolved that:*

The Lieutenant-Governor-in-Council may authorize the investment of any surplus of the consolidated revenue fund not exceeding in the whole at any time, \$5 million and the purchase of debentures issued under such by-laws in respect of which the Treasurer of Ontario has certified to the propriety of the investment,

as provided by Bill No. 118, An Act to amend The Tile Drainage Act.

Resolution concurred in.

SECONDARY SCHOOLS AND BOARDS OF EDUCATION ACT, 1954

House in committee on Bill No. 80, An Act to amend the secondary schools and boards of education Act, 1954.

Sections 1 to 11, inclusive, agreed to.

Bill No. 80 reported.

THE PUBLIC SCHOOLS ACT

House in committee on Bill No. 81, An Act to amend The Public Schools Act.

Sections 1 to 15, inclusive, agreed to.

Bill No. 81 reported.

THE SEPARATE SCHOOLS ACT

House in committee on Bill No. 82, An Act to amend The Separate Schools Act.

Sections 1 to 5, inclusive, agreed to.

Bill No. 82 reported.

THE ONTARIO-ST. LAWRENCE DEVELOPMENT COMMISSION ACT, 1955

House in committee on Bill No. 83, An Act to amend The Ontario-St. Lawrence Development Commission Act, 1955.

Sections 1 to 4, inclusive, agreed to.

Bill No. 83 reported.

THE TOWN SITES ACT

House in committee on Bill No. 84, An Act to repeal The Town Sites Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 84 reported.

THE PUBLIC LANDS ACT

House in committee on Bill No. 85, An Act to amend The Public Lands Act.

Sections 1 to 12, inclusive, agreed to.

Bill No. 85 reported.

THE INVESTIGATION OF TITLES ACT

House in committee on Bill No. 86, An Act to amend The Investigation of Titles Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 86 reported.

THE CHILD WELFARE ACT, 1954

House in committee on Bill No. 90, An Act to amend The Child Welfare Act, 1954.

Bill No. 90 held.

THE WORKMEN'S COMPENSATION ACT

House in committee on Bill No. 92, An Act to amend The Workmen's Compensation Act.

Sections 1 to 7, inclusive, agreed to.

Bill No. 92 reported.

THE LABOUR RELATIONS ACT

House in committee on Bill No. 93, An Act to amend The Labour Relations Act.

Sections 1 to 8, inclusive, agreed to.

Bill No. 93 reported.

THE MINING ACT

House in committee on Bill No. 94, An Act to amend The Mining Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 94 reported.

THE SURVEYS ACT, 1958

House in committee on Bill No. 95, The Surveys Act, 1958.

Sections 1 to 17, inclusive, agreed to.

Hon. C. E. Mapledoram moves that clause B of sub-section 2, section 17 be amended by inserting after "corners" in the fourth line, "one being on either side of lots corners." The explanation for that being that these words are omitted to bring the clause in line with clause B of subsection 2 of section 24. They are corresponding provisions in double front townships.

Amendment agreed to.

Section, as amended, agreed to.

Sections 18 to 34, inclusive, agreed to.

Hon. Mr. Mapledoram moves that clause F of section 34, be amended by striking out the last two lines.

Amendment agreed to.

Section as amended agreed to.

Sections 35 to 47, inclusive, agreed to.

Hon. Mr. Mapledoram moves that subsection 4 of section 48 be amended by striking out "lodged" in the second line and inserting "register."

Amendment agreed to.

Section, as amended, agreed to.

Sections 49 to 63, inclusive, agreed to.

Bill No. 95 reported.

THE TELEPHONE ACT, 1954

House in committee on Bill No. 97, An Act to amend The Telephone Act, 1954.

Sections 1 to 4, inclusive, agreed to.

Bill No. 97 reported.

THE STALLIONS ACT

House in committee on Bill No. 98, An Act to amend The Stallions Act.

Sections 1 and 2 agreed to.

Bill No. 98 reported.

THE JAILS ACT

House in committee on Bill No. 99, An Act to amend The Jails Act.

Sections 1 to 1, inclusive, agreed to.

Bill No. 99 reported.

THE DISABLED PERSONS' ALLOWANCES ACT, 1955

House in committee on Bill No. 101, An Act to amend The Disabled Persons' Allowances Act, 1955.

Sections 1 to 3, inclusive, agreed to.

Bill No. 101 reported.

THE BLIND PERSONS' ALLOWANCES ACT, 1951

House in committee on Bill No. 102, An Act to amend the Blind Persons' Allowances Act, 1951.

Sections 1 to 4, inclusive, agreed to.

Bill No. 102 reported.

THE OLD AGE ASSISTANCE ACT, 1951

House in committee on Bill No. 103, An Act to amend The Old Age Assistance Act, 1951.

Sections 1 to 6, inclusive, agreed to.

Bill No. 103 reported.

Hon. Mr. Allan moves that the committee of the whole House rise and report certain bills without amendment, and one with amendment, and begs leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

The Chairman: Mr. Speaker, the committee of the whole House begs to report certain

bills without amendment and one bill with amendment and begs leave to sit again.

Report agreed to.

Hon. Mr. Allan: Mr. Speaker, before moving the adjournment of the House, I would remind the hon. members again that the

estimates of The Department of Health will be on Monday afternoon.

I move the adjournment of the House.

Motion agreed to.

The House adjourned at 4.00 of the clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Monday, March 17, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, MARCH 17, 1958

2 O'CLOCK P.M.

And the House having met.

Prayers.

Clerk of the House: The report of the Ontario municipal board in the matter of rule 75 of the Legislative Assembly of Ontario in the matter of private bill No. 42, An Act respecting the town of Eastview.

In accordance with the provisions of rule 75 of the Legislative Assembly of Ontario, a copy of the above bill and the petition on which it is founded has been transmitted by the Clerk of the House, and the board has accordingly, within the limited time available, caused an inquiry to be made into the allegations set out in the bill and the financial affairs of the municipality insofar as they can be ascertained at the present time.

For such purposes the board have availed themselves of the following sources of information:

1. The annual reports of the municipal statistics as issued by The Department of Municipal Affairs for the years 1952 to 1956, inclusive.

2. The audit report of the town of Eastview and its local boards for the year ending December 31, 1956, certified by the municipality's auditors, Messrs. Hector Menard and Lucien Masse, and dated June 4, 1957.

3. Preliminary statement of the town's revenue fund balance sheet as at December 31, 1957, and the preliminary statement of the revenues and expenditures of the municipality for the year 1957.

4. A financial analysis of the affairs of the town for the years 1952 to 1956, inclusive, prepared by the audit branch of The Department of Municipal Affairs, showing the variances between actual and budgeted revenues and expenditures for the years 1952 to 1956, inclusive, and listing the major items contributing to the excess of expenditures over the annual budgets.

Hon. L. M. Frost (Prime Minister): May I ask in connection with this report, which is lengthy, is it necessary to read all that report, or could it be tabled for the hon. members to read?

Mr. Speaker, if this goes to the committee on private bills tomorrow, could the report be read to the hon. members there, where I think it would really have more relevance than here? I imagine it requires the unanimous consent of the House to dispense with the reading of that. I make that proposal, but if any hon. member wants it read, I am quite satisfied, but why not have it read at the committee on private bills?

Mr. Speaker: Do we have the consent of the House? Then it will be dispensed with.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. R. J. Boyer, from the standing committee on game and fish, presents the committee's first report and moves its adoption.

Your committee begs to report the following bill without amendment:

Bill No. 117, An Act to amend The Game and Fisheries Act.

Motion agreed to.

Clerk of the House: Mr. J. Yaremko, from the standing committee on highway safety, present the committee's first report and moves its adoption.

Your committee begs to report the following bill with certain amendments:

Bill No. 128, An Act to amend The Highway Traffic Act.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

THE HOMES FOR THE AGED ACT, 1955

Hon. L. P. Cecile moves first reading of bill intituled, "An Act to amend The Homes for the Aged Act, 1955."

Motion agreed to; first reading of the bill.

He said: **Mr. Speaker,** section 1 of the amendment is reworded to require the approval of the Minister of Public Welfare for

new construction, the acquisition of buildings, and alterations to grounds, in addition to those matters for which approval is now required. Section 2, the subsection being replaced fixed the percentage of provincial contribution at 50 per cent., the new subsection leaves the percentage to that fixed by regulation and insures monthly payments.

Mr. Speaker: Before the orders of the day, I would like to welcome to the assembly this afternoon students from Bathurst Heights secondary school in Toronto; Earl Grey senior public school, Toronto; and Nelson high school, Burlington. These students are here to view the proceedings of the House, and we extend to them a very warm welcome.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before the orders of the day, may I say it is scarcely necessary for me to announce publicly what day this is, and the colour that surrounds me here indicates very clearly that it is appreciated by many of my constituents and friends.

I would like to thank the hon. member for Bracondale (Mr. A. G. Frost) for this remembrance on my desk. I would like to thank my St. Patrick riding association for this plant that is on my desk. I would like to thank the KLM, and those associated with that flight, for flying over from Ireland last Friday these Irish shamrocks which came from County Wicklow where I believe the finest shamrocks, so they tell me, are grown.

And, Mr. Speaker, I also have on my desk here a shillelagh named after the famous village in County Wicklow where the oak and blackthorn wood is so famous, and you, sir, have graciously consented that, if I were to send this up to you now, you might conduct the business of this House for the rest of the afternoon with a good Irish shillelagh. That may be a warning to some of my hon. friends opposite to behave even better than usual.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, the shillelagh, I think, is an Irish shibboleth, at least if you can spell shillelagh, and I am going to challenge all my friends in the press gallery who are in their seats now without rushing to a dictionary, to send me down their versions of that. At least if you can spell shillelagh, you will pass one Irish test.

I could take a few moments of the House today to talk about Irish culture. I could talk about the Irish poetry and I am going to conclude my few remarks with that, but I could also mention the population of Ireland.

Ireland is noted for its emigrants and I am told on good authority its population is the lowest in all its history. They say that, in addition to the emigration, for some reason or other—and this I cannot understand because I have seen with my own eyes on a number of occasions those famous Irish colleens—the young male Irish population is not marrying to the same extent that it used to. Be that as it may, the population is at its lowest.

Now, Mr. Speaker, may I quote to you, sir, two short poems, or parts of poems, illustrative of Irish poetry from the pen of that famous Irish poet, writer and playwright, William Butler Yeats. The first of these is very brief, from a drinking song of 1910:

Wine comes in at the mouth
And love comes in at the eye,
That's all we shall know for truth,
Before we grow old and die.

Then this poem, to me particularly—and I think to many of us in the Commonwealth—reflects the type of Irish and the Irish that we love best, "An Irish Airman Foresees his Death":

I know that I shall meet my fate
Somewhere among the clouds above.
Those that I fight I do not hate,
Those that I guard I do not love.
My country is still Tartan's cross,
My countrymen kill Tartan's poor.
Nor law nor duty bade me fight,
Nor public men nor cheering crowd.
A lonely impulse of delight
Drove to this tumult in the clouds.
I balanced all, brought all to mind,
The years to come seemed waste of breath,
A waste of breath the years behind,
In balance with this life, this death.

Mr. J. Root (Wellington-Dufferin): Mr. Speaker, since I have the honour of representing two Irish municipalities in the province of Ontario, namely the village of Erin and the township of Erin, I want to make some observations on this St. Patrick's Day.

I could tell you that the first settler in the township of Erin settled in what is now known as the village of Ballinafad, back in 1820. He was the first white man in that area. A year later a man by the name of Howe settled in what is now the village of Hillsburg. Four years later my own great grandfather took up a lot and established a farm in the township of Erin. All of this had taken place before John Galt put the axe to the first tree to found the city of Guelph, so Erin was one

of the earliest development in Wellington county. The peculiar thing about the village of Erin and the township, is that although they have Irish names, most of the early settlers were of Scottish origin, with a mixture of Irish, English and Pennsylvania Dutch.

When we speak of the pioneer families of Erin, we think of names like Awrey, Barden, Burt, Barbour, Graham, Griffin, Hurren, Hall, Howe, Jackson, Kirkwood, Lang, Matheson, McDougall, McEnery, McEachren, McKinnon, McPhee, McMillan, Mear, Orr, Rozell, Root, Robertson, Smith, Sutton, Tarzwell, Teeter, Thompson, Wheeler; and there are many others who joined these pioneers as they cleared the forest and established the farms and villages. These family names are still scattered all over that part of Wellington county.

Now, what I want to do on this St. Patrick's day is to extend, to all, an invitation to sometime visit that beautiful rolling countryside to see the fine homes, the clear trout streams and the artificial lakes and ponds. I think perhaps the one day that I would mention above all others is Thanksgiving day. Every Thanksgiving day, literally tens of thousands of people journey back to Erin to attend the Erin fall fair.

I think anyone who has ever attended that exhibition will recognize that it is the greatest rural agricultural fair in the province. There, hon. members will see the finest in livestock, in produce and in handwork; so on behalf of the people of Erin, I extend to them an invitation to come to the village, where they will be greeted with a welcome on the shamrock, the village where Irish eyes are smiling.

Mr. G. W. Parry (Kent West): May I direct a question to the hon. Attorney-General? Are any of those gifts from Wallaceburg?

Mr. G. T. Gordon (Brantford): Mr. Speaker, I do not know why the hon. Attorney-General should have all those mementoes on his desk. I know that a lot of people here would like to be Irish, but honestly, I am the only member in the House who was born in Ireland.

An hon. member: Oh, no, he is not!

Mr. Gordon: I am sorry. There is another one. I happened to be born in Dublin, Ireland, and in speaking to many of the hon. members today, they look back and they trace their Irish ancestry on one side or the other, and we can tell the origin of some of the hon. members here by their accent.

I think of my hon. friend from Stormont

(Mr. Manley). I think his name in days gone by was probably O'Manley, I do not know. I think when we look in the face of the hon. member for Renfrew (Mr. Maloney), we can see some of the Irish there.

Anyway, Mr. Speaker, this is a great day for the Irish.

Mr. Speaker: May I just say it will be a privilege and a pleasure to use this shillelagh today.

Hon. Mr. Frost: Mr. Speaker, at this time, I know we are very happy to welcome back to our session our hon. friend from Hamilton-East (Mr. Elliott). We are all very, very glad to know that he has recovered and is able to be with us again after several months under doctor's care. We are very glad to see the hon. member.

Mr. R. E. Elliott (Hamilton-East): Mr. Speaker, I am very, very happy to be back. I am very sorry that I had to miss several weeks of this session, but I did have a little difficulty about 6 months ago and the doctor advised me to take a little rest. I have taken as much of that as I could possibly take. I am feeling a lot better.

I hope that I will be strong enough to carry on and do the kind of a job that they expect of me in my constituency and for the province of Ontario.

I wish to thank every hon. member of this House who had any part in helping me along a little bit while I was sick. I had several cards, letters, plants and so on from several hon. members of this House, not to mention any names, and I was very, very encouraged by them.

I have received, with the co-operation of our good Whip and our good friend from Bracondale (Mr. A. G. Frost), the *Hansard* right through, and I am right up to No. 25, and I have read every one of them, so I have a little knowledge of what has gone on in the Legislature while I have been away. I feel that hon. members are doing a splendid job, both the government and the Opposition, for that matter.

The Opposition is a little unreasonable in spots, but I think that is the way they feel they should be, but I have enjoyed the reading of *Hansard*.

It has been a real pleasure to me to get back here and to get into harness again and I am glad to receive the welcome I received today. Thank you very much.

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third reading, upon motions.

Bill No. 80, An Act to amend the secondary schools and boards of education Act, 1954.

Bill No. 81, An Act to amend The Public Schools Act.

Bill No. 82, An Act to amend The Separate Schools Act.

Bill No. 83, An Act to amend The Ontario-St. Lawrence Development Commission Act, 1955.

Bill No. 84, An Act to repeal The Town Sites Act.

Bill No. 85, An Act to amend The Public Lands Act.

Bill No. 86, An Act to amend The Investigation of Titles Act.

Bill No. 92, An Act to amend The Workmen's Compensation Act.

Bill No. 93, An Act to amend The Labour Relations Act.

Bill No. 94, An Act to amend The Mining Act.

Bill No. 95, The Surveys Act, 1958.

Bill No. 97, An Act to amend The Telephone Act, 1954.

Bill No. 98, An Act to amend The Stallions Act.

Bill No. 99, An Act to amend The Jails Act.

Bill No. 101, An Act to amend The Disabled Persons' Allowances Act, 1955.

Bill No. 102, An Act to amend The Blind Persons' Allowances Act, 1951.

Bill No. 103, An Act to amend The Old Age Assistance Act, 1951.

Mr. Speaker: Resolved that the above bills do now pass and be intituled as in the motions.

ST. PETER'S CHURCH, BROCKVILLE

Mr. S. A. C. Auld moves second reading of Bill No. 3, "An Act respecting St. Peter's Church, Brockville."

Motion agreed to; second reading of the bill.

ST. MICHAEL'S COLLEGE

Mr. J. Yaremko moves second reading of Bill No. 25, "An Act respecting St. Michael's College."

Motion agreed to; second reading of the bill.

ESTATE OF MELVILLE ROSS GOODERHAM, THE KATHLEEN ISABEL DROPE TRUST AND THE CHARLOTTE ROSS GRANT TRUST

Mr. R. Macaulay moves second reading of Bill No. 29, "An Act respecting the estate of Melville Ross Gooderham, the Kathleen Isabel Drope trust and the Charlotte Ross Grant trust."

Motion agreed to; second reading of the bill.

SOCIETY OF DIRECTORS OF MUNICIPAL RECREATION OF ONTARIO

Mr. S. L. Hall moves second reading of Bill No. 30, "An Act to incorporate the society of directors of municipal recreation of Ontario."

Motion agreed to; second reading of the bill.

TOWN OF ALMONTE

Mr. J. A. McCue moves second reading of Bill No. 37, "An Act respecting the town of Almonte."

Motion agreed to; second reading of the bill.

CITY OF HAMILTON

Mr. A. J. Child moves second reading of Bill No. 41, "An Act respecting the city of Hamilton."

Motion agreed to; second reading of the bill.

THE VETERINARIANS ACT, 1958

Hon. W. A. Goodfellow moves second reading of Bill No. 146, "The Veterinarians Act, 1958."

Motion agreed to; second reading of the bill.

THE UNIVERSITY OF TORONTO ACT, 1947

Hon. W. J. Dunlop moves second reading of Bill No. 145, "An Act to amend The University of Toronto Act, 1947."

Motion agreed to; second reading of the bill.

THE ASSESSMENT ACT

Hon. W. K. Warrender moves second reading of Bill No. 142, "An Act to amend The Assessment Act."

Motion agreed to; second reading of the bill.

THE MUNICIPAL ACT

Hon. Mr. Warrender moves second reading of Bill No. 143, "An Act to amend The Municipal Act."

Motion agreed to; second reading of the bill.

THE DEPARTMENT OF EDUCATION ACT, 1954

Hon. Mr. Dunlop moves second reading of Bill No. 154, "An Act to amend The Department of Education Act, 1954."

Mr. F. R. Oliver (Leader of the Opposition): Does this bill go to the committee on education?

Hon. Mr. Dunlop: Yes.

Motion agreed to; second reading of the bill.

Hon. Mr. Frost: Mr. Speaker, I move you do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to.

House in committee of supply; Mr. H. M. Allen in the chair.

ESTIMATES, DEPARTMENT OF HEALTH

Hon. L. M. Frost (Prime Minister): Mr. Chairman, before we proceed with this estimate, I might make an explanation which will be apparent as we go along. These estimates are for a period of 12 months starting April 1.

There will a hiatus period commencing January 1, 1959, with the coming in of

hospital insurance, and the hon. members will see that that item has not been dealt with in detail. This is because it is quite apparent that a portion of these estimates which run for 12 months will actually carry on for a period of only 9 months, and it will be necessary to cover this item of hospital insurance with a supplementary estimate next year, which then will take into account our experience with the plans which have been introduced, and at that time we will cover the costs by the supplementary estimate which the House can consider.

I discussed this in great detail with the hospital insurance commission, and it would have been possible to have taken these estimates apart and put in a form of estimate, but on the other hand it would have been very uncertain and it seemed better to leave it this way.

Now, there are certain items that, of course, will not appear next year. There is the item of assistance, for instance, to hospitals that will be enrolled into the hospital insurance plan. There is the item that appeared on the supplementary estimates this year of some \$6 million or \$7 million of special grants to hospitals which will appear again there, but will come into the hospital insurance estimates.

With that explanation, I will be prepared to explain that in greater detail later.

Mr. F. R. Oliver (Leader of the Opposition): On the point that the hon. Prime Minister has just raised, Mr. Chairman. In the supplementary estimates that we have before us this year, there is a vote of \$8 million which is presumed, or set out to be \$200 per bed. Now, in the vote, in the main estimates for hospitals, the amount is \$15 million, which is precisely the amount that was in the vote last year.

Now I would say, Mr. Chairman, that if the government is going to be consistent and, indeed, if it is going to be fair to the hospitals of this province, it should say here and now that the supplementary estimate that the government will introduce next year will be related to the \$8 million that is presently in the supplementary estimate with which we are dealing.

Now, if that is not done, Mr. Chairman, what is going to happen is, of course, that the hospitals will be in no position to know whether they are going to get the \$200 per bed or not. That has been the policy for a number of years; now why cannot that be written in now, so as to remove any doubt that might exist that the hospitals will get this \$200 per bed?

Hon. Mr. Frost: I would say to the hon. leader of the Opposition that the \$200 per bed will not be payable next year.

Mr. Oliver: Will it not?

Hon. Mr. Frost: No, it will not. That will be explained to the hospitals by the hospital commission. We, of course, treat that item as a matter of deferred depreciation, which will really be taken care of in the cost item.

Now, it is true that the federal government does not recognize that, but we propose in our plans at least to recognize the matter of deferred depreciation, which we think is a logical and proper charge for the hospitals to make.

However, as I say, that matter can be discussed when we come to the item, but I thought I had better make that preliminary explanation before we commence the estimates.

Hon. M. Phillips: (Minister of Health): Mr. Chairman, I first want to say to this House that I sincerely thank my officials, as well as each and every one of our 9,000 employees, for their loyalty and co-operation, and for the fact that they work at all times in complete harmony.

We have had quite a number of changes in our department in the last year. Miss Margaret Higginson, who was my private secretary, now is executive officer to The Department of Health. Miss Clara Cresswell, who was assistant to Miss Higginson, is now the secretary to the Minister.

Then we come to our good friend, Dr. John T. Phair, who has been the main pillar in our department for many years—and he certainly has been a tower of strength since 1943—serving as the Deputy Minister. It is only because of his great loyalty to the department that he consented, rather than take the superannuation, to remain with us as consultant to The Department of Health, particularly the Minister.

Then, we have Dr. Gordon Brown, who has been understudying Dr. Phair for the last two or three years; he is now the Deputy Minister of Health for this province.

Regarding our finance comptroller, Mr. George Tattle, we have made no change there, and I just want to say that I hope that Mr. Tattle remains as our finance comptroller for a good number of years.

Then we come to the hospital commission. I am very happy to have Mr. Swanson back with us again. He has been ill for some time, and I can only wish him good health

from this time onward, because he has certainly put every effort he could into this hospital insurance scheme which is going into effect next January 1.

Reverend Monsignor Fullerton has done an excellent job as acting chairman during Mr. Swanson's illness, and although Monsignor Fullerton is away at the moment, I know he will be very happy, when he comes back, to find Mr. Swanson back at his desk.

Then there are the other members of the committee. We have Dr. John Nielson, from Civic Hospital at Hamilton; Dr. R. W. Urquhart of the Hydro commission; Mr. McArthur; and also David Archibald, who was director of Blue Cross.

Now I cannot mention all of my staff, but each and every one of them play a great part in solving the health problems in this great province of Ontario.

Mr. Chairman, earlier this session, I gave the Legislature some indication of the great responsibility assumed by my department in the care and treatment of the mentally ill. For 1958-1959, our estimates in the mental health branch show an increase of more than \$4.5 million.

It is not my intention now to repeat details of the progress and expansion that have brought this about. New staff, normal salary adjustments, and regular increases for some 7,600 employees in the Ontario hospitals account for more than \$3 million, and the balance is expended for maintenance of patients in the beds we have been able to add to our accommodation.

This all costs us something—as a matter of fact a very great deal—in dollars and cents, but that is not our main objective.

Our main objective is to benefit human lives. Even a small return on this great investment in health is worthwhile, and, actually, with the progress that is continually being made in the treatment field, better and better results can be expected.

You will note, Mr. Chairman, that some other items have increased fairly substantially. To mention only a few—epidemiology by about \$200,000; tuberculosis prevention by slightly more than that; industrial hygiene by \$170,000; and the hospital services commission by almost \$7 million.

Through the division of epidemiology, we will distribute Salk vaccine. Now that an adequate supply is available, this preparation has been added to those products which can be supplied to medical health officers and, through them, without cost to local physicians.

Anyone, now wishing to take advantage of this new protection from poliomyelitis has only to ask his doctor for it, and we will provide the vaccine. We have estimated the cost of this service at about \$250,000, but only experience will tell us definitely what the demand will be. The school child programme will, of course, continue as formerly.

Again, for 1957, we anticipate a favourable report on the death rate for tuberculosis. In 1956, this was at a new low of 4.1 per 100,000 of the population. There is every indication that it will be below 4 per 100,000 for 1957. This, however, need not make us complacent about tuberculosis.

Today's therapy accounts for the lowering of the death rate; and today's vigilance accounts for finding these cases in the early stages. Now, fewer people are becoming infected. Mass surveys, clinics, X-ray on admission to hospital, examinations for employment in industry and business—all of these are good things and should continue.

But there are still many sources of infection not being detected. As staff is available, we hope to have tuberculosis clinics more widely distributed, and, optimistically, we have provided in our estimates for an expansion of this service. We would like to see at least several new clinics established in the next year. We know where they are needed. So, when we can bypass, or overcome, our constant obstacle—namely, the shortage of trained professional staff—we can go right ahead with this programme.

The air pollution branch has been added to our division of industrial hygiene, and money for it is included in that vote. This is a new departure, so we cannot predict what demand there will be from municipalities or from industry for the type of service and assistance the province is prepared to give. Details of the programme are outlined in the bill before the Legislature, so there will be ample opportunity to discuss any particular features that may be of special interest to individual hon. members.

I can say that we have been most fortunate in the staff we have been able to get thus far; and also that a special analytic laboratory for the air pollution branch has already been set up on the fifth floor at 67 College Street, that is the old sick children's hospital.

We have been criticized for not setting up our air pollution programme under a commission, as recommended by the select committee of the Legislature. In our opinion, such

action would be an indication that we were prepared to give complete authority to a commission for administering such a programme. That is not our intention. We think that the responsibility begins with the municipality, and that government action should be in the form of assistance where it is most needed.

In the air pollution branch of the industrial hygiene division, we now have, as director, Dr. Jephcott, and 5 well-qualified scientists.

Our experience so far would indicate that our greatest problem will be air contamination from industry, because each type of industry is an entity unto itself. Less difficult to control is the other type of air pollution caused by combustion, which really means incomplete combustion. The latter probably causes 70 per cent. or more of all pollution. In exploring the situation in Pittsburgh, we found that they have dealt in the main only with air pollution from combustion.

We come now, Mr. Chairman, to the Ontario hospital services commission. Of our total \$12.75 million increase, more than half is in that vote.

As of January 1, 1959, Ontario will have a hospital insurance plan in effect.

I do not think that any one of us can even come close to appreciating the magnitude of the task that has been done by the chairman of the commission, Mr. Arthur Swanson, his colleagues, and the staff. It is not too difficult to build something from scratch, but, in one of the older provinces like Ontario, to incorporate well-established services into a new plan presents problems which are beyond anticipating or imagining.

Fortunately, much experience has been gained by the Blue Cross division of the Ontario hospital association, and their facilities and staff will be used to advantage by the commission through 1958.

An amount to cover the cost of this service has been provided. As with any new enterprise that must be supported by funds which have to be collected, capital is required for the first few months. Therefore, for the period January to March, 1959, the province will put up close to \$5 million for the operation of the hospital insurance plan.

We have been working towards this goal for a long time, and I think we all want to express to the hon. Prime Minister our sincere appreciation of the vision, patience, and determination he has shown in his efforts on our behalf.

That, Mr. Chairman, is all the comment I feel that I need to make on these estimates. If there are explanations that hon. members wish to have on any items, I will be very happy to try to supply them. Thank you.

On vote 501:

Mr. T. D. Thomas (Oshawa): On item No. 12, federal health and operating fund, \$500,000, may I say that this item was in there last year and the year before, I think. Yet, looking through the public accounts for the fiscal year ending March, 1957, I find that \$.5 million was unexpended. Would the hon. Minister explain that?

Hon. Mr. Phillips: Mr. Chairman, I would say to the hon. member that this is a revolving account, and we have to have this money in order to pay whatever grant we do to whatever society, on a dollar per dollar basis. But before we can collect one dollar from the federal government we must first pay in the grant, then apply to Ottawa and we get the money back, so that this money is simply a revolving account, and at the end of the year we end up with the same amount. Does the hon. member understand?

Mr. J. J. Wintermeyer (Waterloo North): Mr. Chairman, would the hon. Minister care to make a comment on the progress being made relative to cancer investigation?

Hon. Mr. Phillips: Would the hon. member repeat that, please?

Mr. Wintermeyer: I see under this vote 501 that the grant to the cancer institute, for cancer treatment, is included. Now, has the hon. Minister any comments that he could, or would, like to make with respect to the progress that is being made by the cancer research foundation?

Hon. Mr. Phillips: Would the hon. member like to know the progress of the foundation?

Mr. Wintermeyer: Yes.

Hon. Mr. Phillips: Well, I think I can tell him that. As hon. members probably know, we have a full set-up between the Dunlap Building and the General Hospital, and along with it the cobalt bomb and other therapeutic agents such as the isotopes, which are used for various types of cancer under Dr. Clifford Ash who is director.

Over at the institute which the hon. Prime Minister opened about 5 or 6 months ago,

we have placed another cobalt theratron unit for therapy which has not been used as yet. But I am quite sure I can promise the Legislature that, within the next 3 or 4 months, we will have complete equipment in there to go to work, including having places for ambulatory patients, whether it is a hospital or a number of houses, but we should be in full swing before fall.

Mr. H. Nixon (Brant): What is the death rate now per 100,000 from cancer, and is there any improvement in this in the last year?

Hon. Mr. Phillips: Well, it is the second cause of death, I cannot tell the hon. member how many per 100,000. A few years ago, pneumonia was the greatest cause of death, but today cardiovascular disease has become No. 1 and cancer is No. 2. I think I can tell the hon. member that, if there is any downward change, it is very, very little.

Mr. R. Whicher (Bruce): Mr. Chairman, I would like to ask the hon. Minister a question about item No. 9, hospitalization for indigent immigrants. Now surely after January 1, this item will be looked after by the hospital services commission?

Hon. Mr. Phillips: Mr. Chairman, all I can say to the hon. member is that, in time, it certainly will be taken care of. But I cannot promise this will be done within the next fiscal year because of the fact that we are going to be in the plan only 3 months before the end of the 1958-1959 fiscal year. The adjustment will depend on whatever contract is made in Ottawa, because we have a contract now whereby they pay 50 per cent. and we pay 50 per cent. for these people, New Canadians, in the first year in this country.

Mr. Whicher: Mr. Chairman, in item No. 24, there is an amount of \$300,000 for the alcoholism research foundation, and I am wondering if the hon. Minister would give us some indication of just whom this foundation is composed, and what they do? Another question I would like to ask is a supplementary one. Do the breweries or the liquor interests give any money as a donation towards funds such as this?

Hon. Mr. Phillips: Well, Mr. Chairman, I think the hon. member knows that I am from Owen Sound, a dry town. I do not know whether that has anything to do with his question or not, but may I say that about 5 years ago we set up the alcoholic foundation at 911 Bedford Road, at which time we

really divided it into 3 parts. The first part was the hospital, the second research and professional, and the third the Alcoholics Anonymous quarters. Now this same plan has been carried out ever since.

I think they have done a terrific job under, first, the chairmanship of Mr. Arthur Kelly, and then under the chairmanship of Mr. I. P. McNabb, and I am very sorry to say that his term of office ended.

At that time, and it is only 5 years ago, or less, the budget was \$149,000. Today, as hon. members will see, for this coming year it is \$300,000, and they have set up special clinics throughout Ontario in order to help in this work.

This is a condition that started, I daresay, when the world began. It was a problem then, and it is still a problem, and it is going to take a long time to defeat it.

Mr. G. T. Gordon (Brantford): Is it not true that this foundation is increasing all the time, and the amounts that the department is giving to the alcoholic research foundation is not increasing with the problem we have on hand? When we think of what the government is receiving from this business, some \$65 million a year, it seems that \$300,000 is a mighty small amount to look after the finished product of that business.

Hon. Mr. Phillips: Well, I really cannot agree with the hon. member about the problem increasing at a greater proportion than what our grant is. We have doubled our grant. The problem is increasing, there is no doubt about that, but so is our population. However, although our population is increasing rapidly in this great province of ours, it has not doubled in that same 5-year period, as our grant has.

Mr. H. A. Worton (Wellington South): Mr. Chairman, I would like to ask the hon. Minister how many clinics they have set up and approximately how many patients they are treating with that \$300,000.

Hon. Mr. Phillips: Mr. Chairman, there was a report on the table about two weeks ago. I do not have that report with me, but if the hon. member does not have a copy, I will be glad to supply him with one but I do not have the figures here.

Mr. Whicher: Mr. Chairman, item No. 28, the Ontario heart foundation, amounted to \$12,000. In 1956-1957 this heart foundation received a supplementary estimate of \$100,000 and another \$100,000 in the supplementary

estimates for 1957-1958. Now, my question is this: Why does it need the supplementary grant? Why not give them the \$100,000 right now in the estimates?

Hon. Mr. Phillips: Well, as a matter of fact, they will get the \$100,000 on or before April 20. This is the only government that has given to a foundation of this kind without having placed before it the exact project which they are going to carry out.

The federal government pays \$100,000 for research each year—this will be the third year—providing that the heart foundation sets before them the research projects which they wish to carry out. And if they do not carry out enough research to cover the whole \$100,000, why the money does not come from Ottawa, and it does not matter who is in power down there.

On the other hand, this \$12,000 is simply a token grant to pay maintenance charges. It pays for their stenographic staff, office, rent, and so on. We hand them \$100,000 without any strings tied to it except this—that at the end of each year, they must submit to the Minister an accounting of what the money was spent for.

Mr. J. Spence (Kent East): I wonder if I could ask the hon. Minister a question. What progress was made in combating heart disease? What is the death rate per 1,000, or—

Hon. Mr. Phillips: Well, I wish I could tell the hon. member that. I am very sorry, Mr. Chairman, that I have not the answers for those questions, but they would be very, very simple to get. But heart disease certainly must receive more recognition by every government in the world because it is the No. 1 killer, and the strange part of it is that we do not have the same fear complex towards a heart condition as we have towards a malignancy such as cancer. But I will certainly provide the hon. member with the information before the orders of the day tomorrow. I will give him the number of deaths per 100,000 people, in say, the first 5 or 6 killers.

Mr. Whicher: In regard to that \$12,000 to the Ontario heart foundation, I am sure that we are all very pleased that there has been a supplementary grant during the past two years of \$100,000. But the fact still remains that there is no grant for the next year. And if this is necessary, which all of us, I am sure, believe, why not include the \$100,000 now, because they have absolutely no guarantee that they are going to get any of it next year.

Hon. Mr. Phillips: Mr. Chairman, may I say this. If this government does anything, it will not be a decrease, it will be an increase, because the hon. Prime Minister and every hon. member of his government recognizes the great importance of cardiovascular disease, and it is very hard to separate the heart from the vessels, the kidneys, and so on.

Now, if we were to give a grant, such as Ottawa has, then we would have to have them requisition for each part of this grant on a project basis, which is the usual way that both the federal and provincial governments operate.

Mr. Oliver: Mr. Chairman, there seems to be an unusual power given to the hon. Minister in at least 5 or 6 items under vote 501. Item No. 16 for instance, is the type of thing that I have reference to—the registered nurses association of Ontario. Now, that is to be a grant to that association—why not say so? Why have it subject to the direction of the hon. Minister? At least in 5 or 6 items in this particular vote, we have “As may be directed by the Minister.” Now it would seem to me that there ought to be a greater measure of stability to these votes, and that they need not be subject to the direction of the hon. Minister. What is the hon. Minister’s reason for putting them in that way?

Hon. Mr. Phillips: I wonder if the hon. leader of the Opposition would mention the others in this vote. There is item No. 16—registered nurses. What are the other ones?

Mr. Oliver: Well, there are quite a few of them. Items Nos. 34, 11 and 28.

Hon. Mr. Phillips: I really think it is an excellent idea to have it the way it is because of the fact that we pay according to their budget and the amount of money which they spend, or their revenue and their spending. We are not bound to hand over the whole amount unless they are in need of this amount of money.

As a matter of fact, the registered nurses association of Ontario have been paid their \$5,000 every year, even though they now have their own Act, and it is only because of the fact that we have had such a shortage of nurses that this grant—call it what you like—has not been cut off two or three years ago.

We are doing everything in our power to have girls, after they have passed grades 12 and 13, go into the nursing profession. The

association needs this money for good public relations and advertising.

Then, if we go over to the next one—is it item No. 26?

Mr. G. Innes (Oxford): Item No. 24 is one,

Mr. Nixon: Item No. 28.

Hon. Mr. Phillips: The Ontario heart foundation. In amounts, this may be authorized by the Minister. Now, this only takes in this \$12,000. They have to send in their accounts each month or every two or three months, before they receive one cent. Their expenditures each year, since this grant has been in effect has been in the neighbourhood of \$10,000 for the 12-month period. It runs a little less than \$1,000 per month.

Mr. D. C. MacDonald (York South): Mr. Chairman, there is one question I would like to ask the hon. Minister with relation to a problem that does not seem to fit into any particular estimate, so perhaps this is the appropriate place to raise it.

Dr. Berry used to be with the department but is now with the water resources commission. Under whose jurisdiction does the following kind of health problem fall?

Representations have been made to the council in Port Credit, where it is claimed by citizens that the water is being polluted by oil from the refinery. In fact in the *Port Credit Weekly* of March 6, there is a story to the effect that one of the complainants—and they acknowledge that there have been 18 in the last two or three months—came with a sample of water which had been gathered, along with the engineer, or with Dr. Berry, indicating that there was oil in the water. Now, under whose jurisdiction does this problem come for action?

Hon. Mr. Phillips: This problem still comes under The Department of Health. I would like to say this, to the hon. leader of his party, that Dr. Berry and some of the sanitary engineers went under the jurisdiction of the hon. Minister of Public Works (Mr. Griesinger) in the water resources commission. We were very sorry to lose Dr. Berry and his associates. He still works in very, very close co-operation with our department, and he still brings health problems to us.

In regard to the specific problem on which the hon. member speaks, we have Mr. W. M. Walkinshaw, who is now the director of environmental sanitation. He looks after this instead of Dr. Berry. We still use the labora-

tory up at Christie Street as well as their other sanitary laboratory.

Mr. MacDonald: May I ask this question of the hon. Minister? On this problem itself, I understand that it is possible for water to be good from the health point of view—they describe it as A1 in this news story—and yet taste of oil. Can this kind of situation go on for quite some time?

Hon. Mr. Phillips: Does the hon. member mean as far as Lake Ontario is concerned?

Mr. MacDonald: Presumably it is the water that is taken from Lake Ontario and goes through the normal filtration process.

Hon. Mr. Phillips: Yes, I know, but it is oil which some boat has—

Mr. MacDonald: No, it is oil from the discharge of the refinery.

Hon. Mr. Phillips: Where does he mean? Down at Oakville?

Mr. MacDonald: Port Credit.

Hon. Mr. Phillips: Well, that is almost the same place. Now, that is a very difficult thing for either the water resources commission or for us to handle—that is, to get complete control of it. We had, last summer, I do not know how, many hundreds of gallons that were either dumped, or it was an accident, or something—in that same area. We did find out later it was from a boat that had a large cargo of oil dumped on the surface.

It is not entirely a health hazard, and yet it is most distasteful. It is very similar to the situation regarding air pollution, that we were not worried one bit about air pollution, because we can bring it under control, we know what to do. It will take a little time, but it is those pollutants in the air, or contaminants that are due to industry, and every type of industry is an entity unto itself, and science as yet has not been able to neutralize these pollutants.

The same situation exists with oil, and we would be very happy if the hon. member could find a research project any place in the world which can give us the answer, because that has given us a great deal of trouble. In spite of the fact that we cannot consider it an absolute health hazard, it certainly is a public nuisance.

Votes 501 and 502 agreed to.

On vote 503:

Mr. Whicher: Mr. Chairman, would the hon. Minister tell us how many of these units are now in operation? Were any new ones started last year?

Hon. Mr. Phillips: There are 32 in operation.

Mr. Whicher: Yes, but how many last year?

Hon. Mr. Phillips: We have now in Ontario 32 health units. We have part of them being paid for by provincial money, part of them by the federal government. I think the only fair thing in answer to the hon. member's question is to mention the various health units.

The first one that was formed was, as hon. members know, under the Rockefeller Institute back in 1943. I am going to give them in alphabetical order. The first is Brant county, 1946; they received—and I am going to give round figures—\$38,000 from the province, \$6,600 from the federal government, making a total of \$44,600.

The same year, 1946, Bruce county, \$32,500 from the province, almost \$15,000 from the federal government, a little over \$47,000 total; Dufferin county, 1946, that is the year they were established, \$15,500 from the province, \$2,500 from the federal government, making a total of \$18,000. In 1947, East York, Leaside, \$36,000, \$6,750, a total of \$42,000.

And in 1945, Elgin-St. Thomas, \$31,500 from the province, \$2,500 from the federal government, making a total of almost \$34,000.

Fort William and district—now this is one of the new ones—1952, no money from the province or the federal government. Now this is under the Fort William district health unit, and the total cost there is \$20,651.09 of which they received, under the health unit branch, 50 per cent.

Halton county, \$59,000 from the provincial, \$37,000 from the federal, making a total of \$96,000. Kent county \$41,000, \$3,500, total \$44,500. Then Leeds and Grenville; now I have this down here under 1947. It was always my thinking that was the No. 1 health unit we had in Ontario. However, they received \$43,000 from us, almost \$6,000 from the federal.

Lincoln: now Lincoln is one of our largest health units, and it takes in the city of St. Catharines; \$63,000 from us, \$34,000 from the federal. Northumberland and Durham, in 1945, \$50,500 and \$15,000 from the federal.

We now come down to Port Arthur and district, which was started just last year, 1957, and they received in all \$26,600, of which they received 50 per cent. from the two senior governments.

Now we come down to 1940, Stormont, Dundas and Glengarry. This is the one that was started up in the Rockefeller Institute. Today they receive \$62,000 from us and almost \$3,000 from the federal. Sudbury and district, \$5,000 from us, and the federal pays 50 per cent. of the balance. Welland and district—this is probably our second largest unit—receive \$58,000 from the provincial and \$29,000 from federal. Wentworth county \$10,000 from the provincial and \$58,000, making a total of \$69,000. The last one is York county—as a matter of fact I would be glad to give any of the hon. members a copy of this. In York county they came in and they received \$109,319.01 from the federal government.

Mr. Nixon: Could the hon. Minister tell us what the county pays into this, what percentage of the entire costs is paid by provincial and federal grants together?

Hon. Mr. Phillips: Yes, we have a base foundation which covers practically all the services, but I think the hon. member for Brant will agree with me that some of the members of the board get over-enthusiastic. I have no fault to find with that, and they hire perhaps more personnel than is needed. We know the number of doctors and nurses and all other personnel who are required.

In that case, in all rural areas, no matter if it is in a suburban area, considered rural, either the federal government or the provincial government or the division between the two senior governments, pays 50 per cent.

Cities of 10,000 to 25,000 population receive $33\frac{1}{3}$ per cent. Those with more than 25,000 population receive 25 per cent.

Mr. J. A. Auld (Leeds): Probably this should more properly be raised in the previous vote, but it has to do with the shortage of doctors in rural areas.

In my own riding, for instance, we have one quite sizeable area where there is a vacant practice, and I am told by the people who live there that they have attempted to obtain a doctor to come and practice, and they have been unsuccessful. I think it is not unique in Leeds county, I think this holds true in other places, and I wonder if the hon. Minister could tell us whether this problem has been discussed with the Ontario medical

association, or whether there are any suggestions as to what might possibly be done about it?

Hon. Mr. Phillips: Mr. Chairman, may I say to the hon. member for Leeds, I would very much like to solve that problem myself, but on the other hand I have a son who finished medicine a year ago now. I would not want him to go through what I went through as a country doctor when I first started out. That is the truth. If the rural people can find ways and means to get our doctors, no one would be more pleased than I. But if a doctor goes to the rural areas to practice, he works twice as hard, and makes half the money. One has to look at this at face value, because it just so happens that I have had experience in both a city and a country practice. May I say this, it was the people themselves, I am sorry to say, who chased the doctors to so-called specialties.

If I were to criticize my own profession it would be this, that I think we are getting too highly specialized. I would like us to go back to the general practitioners' days when there was real personal contact between the doctor and the patient. That is what we need today.

But when Mrs. Brown pays her country doctor \$2 because he is not supposed to know anything, then comes down to a city doctor who actually knows half as much and gives him \$25, therein lies the answer.

Mr. MacDonald: Mr. Chairman, may I ask the hon. Minister, in relation to the solution of this very difficult problem, if he sees any answer to it, or at least a partial answer to it, in the development of smaller hospitals, particularly now that we are moving into a hospital plan, so that there will be some hospital facilities closer at hand?

One of the factors that drives doctors into the cities is the good hospital facilities there, and if we had a range of hospitals, some of which provided the more rudimentary facilities, scattered across the province so they would have at least some hospital facilities there, it might be—and in fact the experience in some jurisdictions has been—that the doctors would be more willing to stay in the country? Is this part of the answer?

Hon. Mr. Phillips: Well, Mr. Chairman, I agree entirely with what the hon. member has just said. I think this government has done a great deal in establishing a great number of hospitals between 20 and 40 beds, the average being about 32.

In my county of Grey, in my time as Minister—that is, since August 8, 1950—we have had one established at Markdale, which was a private hospital before it became a public one, then a 32-bed hospital at Meaford, and a 30-bed hospital at Wiarton, just outside of Grey county—

Mr. Whicher: It is outside, is it?

Hon. Mr. Phillips: No comments. Certainly these hospitals are of great benefit to a physician. In fact, I do not know how any doctor can work without the facilities of a modern hospital. I can assure this House that is what our hospital commission has in mind, to have a hospital centre with all the facilities, and around that a number of hospitals with the facilities which they need for their particular area, and for the number of people they serve, but that is one action.

Mr. Oliver: With the advent of hospital insurance, does my hon. friend feel there will be a tendency towards further decentralization in hospital accommodation in this province, or what would he think would happen under that system?

Hon. Mr. Phillips: Well, we have every reason to believe and we certainly hope that is true, that there will be more decentralization.

Mr. Auld: Just one other question before we go on. It has been suggested, I believe, that as an extension of their studies, before medical people became specialists—or perhaps before they had completely finished their training—that they be required to be in general practice for some short time. Has that received any consideration?

Hon. Mr. Phillips: I just want to say to my hon. friend from Leeds that we still live in a democracy. Speaking personally, I want my son to get as much post-graduate work now as he possibly can, because I know what has happened to so many young doctors. They take one year, then they go out and practice, they get married, then they have a family and cannot afford to go back to take the specialty which they longed for. I would say that, on a per capita basis, we do not have a shortage of doctors in this province. We do not have proper segregation of doctors, nevertheless there is no shortage, like there is of nurses and others, and if hon. members can get them to go into the rural areas, there will be no one in the province more happy than I will be.

Mr. C. E. Janes (Lambton East): Would the hon. Minister say that doctors practicing in the country make less money than the doctors in the city?

Hon. Mr. Phillips: Now, I do not think that is a fair question, because the doctors today are making different money from what I did. But I certainly made a lot more money in the city than I did in the country, and I think that is true of practically every doctor previous to 1950. Since then, I am not in a position to say.

Mr. Oliver: He spent more, too.

Hon. Mr. Phillips: Well, at least one had fun in doing that.

Mr. Janes: The doctors in the country in my area are making as much, if not more, money than are doctors in the local cities, and they are doing exceptionally well. But they are in the same position. I know that one doctor, who had a heart attack, tried to get someone to take over his practice. A young doctor whom he approached insists on a guarantee of \$8,000 a year for the first year or he will not come there.

I have a feeling, Mr. Chairman, that this province is spending millions of dollars to educate these young doctors, and I think they have a debt to the people in the province, and I think they should try to fulfil it. Surely we are not getting to the place where all the doctor thinks about is the money he can make. I know that the older doctors are not taking that attitude, and I think they have an obligation to serve the people in the province.

Mr. Nixon: The hon. Minister was going to make another speech there. I think we ought to hear it.

Hon. Mr. Phillips: Well, I am just going to say to my hon. friend, who is he to speak, with his two brothers, both prominent in the field of service?

Vote 503 agreed to.

On vote 504:

Mr. Thomas: The appropriation for those 4 items in the maternal and child health branch for this year has been reduced by \$150,000. I wonder if the hon. Minister would explain the reasons for that reduction?

Hon. Mr. Phillips: Hon. members will remember we passed legislation a couple of years ago in order to cut off the \$5 examina-

tion fee for medical men. That was left in last year in order to clean anything up, but it was not spent. This year we wiped it out.

Votes 504 and 505 agreed to.

On vote 506:

Mr. Oliver: Now does this include practical nursing?

Hon. Mr. Phillips: Does the hon. leader of the Opposition mean the certified nursing assistance course?

Mr. Oliver: Yes.

Hon. Mr. Phillips: No, that has nothing to do with practical nursing, although it is comparable to it or moderately comparable.

When nurses were so terrifically short about two years ago, I believe it was, before I came in as Minister of the department, my predecessor saw fit to start this 10-month course in order to train what was called certified nursing assistants. They only had to have two years in high school, followed by a 10-month course. First they have 3 months of school training followed by 6 months of practical training, in a hospital, followed by one month of school training and their examination.

They have filled a terrific space, and have helped out greatly in our hospitals. They do not get the training that registered nurses receive, but nevertheless they get enough training so that they know the danger signals of any disease, and they also learn how to take care of the comfort of the patient. But these certified nursing assistants are trained and have been trained ever since about 1948, was it not? It was approximately 1948 or was it back as far as 1946?

However, they have been trained by our department under Miss Dick who is director of our registered nurses branch, and then she has two registered nurses who are training the field and we now have 5 schools, at Toronto, Ottawa, Hamilton, Fort William and Sudbury. If hon. members were at the Canadian National Exhibition, they would have noticed the pamphlets we were handing out to start our night classes which were started last fall, but this is entirely a Department of Health project.

Mr. Oliver: These certified assistants are not trained in the hospitals then, is that right?

Hon. Mr. Phillips: Oh yes. They receive 3 months in the schools, followed by 6 months in a hospital where they receive clinical nursing advice and training, then they go back to school for one month, so out of the 10 months they are in a hospital for 6 months, and they receive \$60 a month.

Mr. Oliver: Just one further question. Does the department licence schools for the training of practical nurses?

Hon. Mr. Phillips: We have licenced one, just very recently, as a pilot project.

Mr. Oliver: There is more than one school for that purpose in the province?

Hon. Mr. Phillips: Unfortunately there have been a number of schools coming in from the United States of America. First of all they started a correspondence course. But no one can train for a nurse by correspondence, any more than one could train a person to drive a car by correspondence.

So we picked out the one school that we knew had the best equipment, the best services, the best personnel training, and the one we feel will make a test case for us, and we are going to let them carry on for a period of one to two years at the most.

At the end of the first year, there will be an evaluation made and at the end of the second year another evaluation. At the same time, we are going to find out what other schools have, but we do not believe that any nurse can be trained by correspondence.

Mr. Oliver: Can the hon. Minister tell me how many schools there are in the province that train practical nurses?

Hon. Mr. Phillips: I only wish I could. They are springing up every day, but they are coming in from the United States mostly. As far as I know, there are only 3 here in Toronto.

Mr. Oliver: Are they licenced?

Hon. Mr. Phillips: No, they are not. There is only one school licenced. The Canadian practical school of nursing is the one and only school.

Mr. Oliver: On that point, Mr. Chairman, the hon. Minister said there is only one of these schools that is licenced. Now what about the graduates from the other schools that are not licenced; what position are they in, in relation to the graduates from the school that is licenced by the department?

Hon. Mr. Phillips: Mr. Chairman, they have been told that they will hold no status, and the schools have been advised to hold off until we can carry out a proper research pilot project, as we are very anxious to have trained practical nurses because we feel that it is in the welfare of the people of this province.

At the same time we have to protect our people and make sure that the training the students receive is sufficient so they will know the danger signals, particularly how to make a patient comfortable, and also how to carry out the doctor's orders and to notify him if any of those signals arrive.

Mr. MacDonald: What is there in the way of forbidding any school of questionable standards from operating?

Hon. Mr. Phillips: We have not forbidden any of them as yet.

Mr. MacDonald: Well, why should you not?

Hon. Mr. Phillips: We are just in the experimental stage. We have licenced one, we are going to look the others over, and we have 3 of the best registered nurses who will make a report to my officials, and at that time we will make an evaluation. There is only one other school that is, as far as I know, trying to go ahead in a big way.

Mr. MacDonald: The hon. Minister said just a moment ago that they are springing up all over the province, and he wished he knew how many there were.

Hon. Mr. Phillips: I should have said this: That they are sending out advertisements all over the province, and all over the United States, even down as far as Texas. The hon. member would not want them trained by correspondence, would he?

Mr. MacDonald: No, but my point is simply this. It seems to me that, for the protection of both the public and for the protection of the person who might be duped into enrolling in such a school, in the belief that he or she is going to graduate with generally accepted qualifications, these so-called schools should not be permitted to operate until licenced.

Hon. Mr. Phillips: Now listen, the hon. member cannot say that, because the students have been told they will not receive a diploma until we have made the proper evaluation which we have done only with one school up until now.

Mr. MacDonald: How soon does the hon. Minister think he can complete this survey?

Hon. Mr. Phillips: As a matter of fact, our director of nursing service is doing it at the moment, I mean during these few weeks.

Mr. MacDonald: Will it be completed by say, June or by the end of the year?

Hon. Mr. Phillips: Oh, yes, it will be completed, I would say, by July.

Mr. Gordon: This is more serious it appears on the surface. I had a young lady contact me not too long ago, and she answered one of these advertisements she saw in the papers, and paid her fee, and then she found out—after going through the course that they gave to her—that the certificate she received was absolutely of no value. It is false advertising to tell these people that they can become practical nurses after going through this course that they give them, and yet these ads are appearing in the paper all the time.

Hon. Mr. Phillips: I know that, Mr. Chairman. I have a whole box full of certificates and stuff at my house that was advertised, and I was told these were good, and I was gullible enough to buy without looking into it. Now why did not these girls look into it? I feel sorry for them, we are going to do our best for them, but at first we have got to look into these schools.

Remember this has happened only in the last few months, and as the hon. member said himself, they are advertising, and we must lay down certain standards for them, the same as for doctors and nurses, nursing assistants, and so on.

Mr. Gordon: The case I mentioned must have occurred 6 months ago, and what I want to point out is that this is false advertising. They say they are going to give you something that they cannot give you.

Hon. Mr. Phillips: There are only two schools that are in my mind—the Private Nursing, and the Allied. If it is the Canadian Practical School of Nursing, they will get their licence. If it is the other one, they will have to wait until this investigation is made.

I want all the hon. members to know that we are in need of nurses, and if this is one way we can get qualified people to do it, why we are willing to accept it.

Mr. Wintermeyer: What is the status of a practical nurse after she completes the course in the approved school?

Hon. Mr. Phillips: Does the hon. member mean a nursing assistant?

Mr. Wintermeyer: Yes.

Hon. Mr. Phillips: Well, the difference is this. For a registered nurse, they either have to have their junior matriculation before they take 3 years arduous training, or their senior matriculation in certain hospitals, particularly the teaching hospitals. The nursing assistants have to have at least two years in high school, and then they receive this training, and they have to try the examinations.

One thing which the director may do is to set examination papers for these girls; that will certainly show very soon what standard of qualification they have, because a great number of our New Canadians who came into this country, as doctors and dentists graduated from approved schools over in Europe, others graduated from schools that had very low standards. We are very fortunate to live in Canada where all dentists, and nurses try the same examinations for their council whether they have to go to Dalhousie university on our east or right across this great Dominion of ours.

Vote 506 agreed to.

On vote 507:

Mr. Wren: I would like to direct a question to the hon. Minister under vote 507, the item that refers to medical care in unorganized districts. We have a peculiar problem in the north country, and I am sure it is not only peculiar to the north country, it is very difficult there, where people suffering from serious chronic diseases, while they get the best of medical attention, find it a financial impossibility to purchase the drugs which are necessary to carry out the doctor's recommendations.

I have in mind particularly the treatment of arthritic diseases, and I have one constituent's case which I am very familiar with, where the cost of metacortone for the treatment of arthritis runs from \$50 to \$70 a month, depending upon the dosage prescribed by the doctor.

Now, these people just simply have not got the money to buy the drugs to get the prescription, and this is not an isolated case, there are several like it in a variety of diseases.

I think, first of all, we should take a good look at the prices that are being charged for some of these drugs, but secondly in the light that the patient cannot afford to buy the drugs which are prescribed by competent physicians, what are they to do to obtain assistance?

I have in mind one lady who, after they had sold their house and their car to keep up the payments to the drugstore for their supply of drugs, when those resources were exhausted, the woman had to revert to living in a wheelchair. Now is there anything we can do to help those people?

Hon. Mr. Phillips: On vote 501?

Mr. Wren: On vote 507.

Hon. Mr. Phillips: Vote 507, item 4?

Mr. Wren: Vote 507, item No. 4, medical care in unorganized districts.

Hon. Mr. Phillips: All right. After January 1 of this coming year, we are introducing into hospitals, or at least we are paying for in hospitals, drugs along with their hospitalization. Now, as the hon. member knows if he was in the House committee the other day, it reads like this: "All drugs are included that are accepted by medical practitioners for regular medical practices." That takes in those expensive drugs.

Mr. Wren: Out-patients as well?

Hon. Mr. Phillips: I cannot say if it does, but it may—now just a minute. When a patient goes home, the doctor tells him to come back. He has to return to the hospital—and the hon. member is speaking about arthritics, which is another chronic condition—they give the patient a supply of one of these anti-biotics, and then the patient returns in 3 weeks or 4 weeks. He may spend the day in the hospital for examination or several days and then go out with another supply.

In cases such as the one the hon. member speaks of, I know there will be some plan devised whereby none is denied a drug that is necessary.

But I might as well tell him the danger of that, and that is that it would almost break any nation if it allowed medical men who are human—believe it or not—full say. Instead of giving two different drugs, they may give 4 or 5, because they think: "It is free anyway."

Now if they used this with discrimination, there is no reason why those people cannot be taken care of. I might say this, too, in unorganized territories this government is a municipal government, and I think the hon. members will agree with me in that. The Frost administration has been pretty good to the people of Kenora.

Mr. Wren: How are we going to get ladies like this out of a wheelchair simply because they cannot afford to buy drugs? That is my question. Between April and January of next year, what can we do to help them?

Hon. Mr. Phillips: I wish I could get them out of a wheelchair with the medicine, that has been the big trouble.

If they do get out of the wheelchair, we all know too well—the hon. member can ask the other two medical men here—that the results are not as favourable. They are for awhile, but after they stop the drug, they slump back.

Now I am not saying they should not get the drug, because there is an odd one who pulls himself right out of it. I will promise the hon. member this, we will see what we can do about his problem.

Mr. Wren: It is not a situation where there is the odd one, there are a good many who are beyond the pale of health schemes, Blue Cross schemes, and what have you.

Hon. Mr. Phillips: Is the hon. member staying right with arthritis?

Mr. Wren: Well arthritis is just one of these that I am thinking of at the moment. I know of perhaps 9 cases in my own riding where these people are simply financially unable to purchase the drugs prescribed by their physicians. There is no agency to which they can appeal.

Hon. Mr. Phillips: There is no policy devised at the present time, but if the hon. member will come and see me we will see what we can do, that is the best I can do.

Vote 507 agreed to.

On vote 508:

Mr. Thomas: There is one question I would like to ask the hon. Minister, and I cannot find it in the estimates, but perhaps it would come under this item, regarding the polio vaccine.

The hon. Minister did mention during his talk that the doctors can now get the vaccine from the local medical officers of health. My question is, do they get it at cost, and if so, does it preclude the local medical officer of health from giving the vaccine to the children in the schools?

Hon. Mr. Phillips: As a matter of fact, I repeat again we are living in a democracy. We supply it to public health nurses, doctors and medical officers of health free of charge. The federal government pays one-half of the cost. In this vote we have some \$225,000 that we will recover. That is our share, and then the federal government will also pay a like amount.

But we have an adequate supply and it is free to our people. But let us not forget that if they go to their family doctor, he has a right to charge an office call.

Mr. Thomas: Does this stop the local medical officers of health from giving it to the children free of charge and through the schools?

Hon. Mr. Phillips: No, I said in my remarks, if the hon. member will remember that our school programme will go on the same as with diphtheria and other diseases.

Mr. Wren: On vote 507, medical care in unorganized districts, are the number of doctors we have in unorganized districts not considered to be sufficient, and on this auspicious day, I wonder if the hon. Minister could tell me why the medical council has barred Irish doctors from coming into Canada and taking up a licence until they put in, first, two years internship and then a course in the basic sciences?

Hon. Mr. Phillips: That is not true. I was going to refer this question to the hon. Attorney-General, but I will answer it myself.

That is absolutely not true. Any New Canadian has to spend one year as an interne before he can write his council, which is not a bit different to any Canadian graduate. My son, although he wrote his exams a year ago, does not receive his council until July 1 of this year. It is one year.

Mr. Wren: The hon. Minister assures me, then that doctors from Ireland are not required to serve two years' internship?

Hon. Mr. Phillips: One year.

Mr. Wren: Plus the course in basic science.

Hon. Mr. Phillips: Oh now, the hon. member is talking about a different thing altogether. They must come from an approved school, and have passed their basic science, and any man gets his basic science in the early years of medicine, and if he does not know his medical sciences—well, that is all I am going to say.

Vote 508 agreed to.

Mr. Wren: They do not require 2 years' internship? Well, there is someone on the medical council who is very loose with a typewriter.

Hon. Mr. Phillips: The hon. member is not holding me responsible for that, is he?

On vote 509:

Mr. Innes: On item No. 5, would the hon. Minister care to tell me how much he paid per empty bed in the sanatorium?

Hon. Mr. Phillips: Now, the average cost which we have been paying, regarding to our sanatoria, has been \$6.93, and my finance comptroller is very accurate, he went on to say 39/100th after that. \$6.93 per patient day is the average that we paid, and in 1956, we paid 89.6 per cent. of the total maintenance cost of the patients in the sanatorium, 3 per cent. or 4 per cent. paid for themselves on their own volition, the rest were paid out of money that was left.

Mr. Innes: That is not answering my question. I want to know how much per bed we paid to empty beds, how much grant to an empty, vacant bed.

Hon. Mr. Phillips: Well, we pay on patient days but we do not pay a dollar on empty beds.

This is on a patient day-basis, \$6.93.

Mr. Innes: Well, that is so much per how many beds in a hospital? and if 40 per cent. of them are empty, they still get something. It can be worked out in percentage.

Hon. Mr. Phillips: We start off with the number of patient days in the year that the "san" has, and we pay them that almost \$7 per day, and then besides that we pay what might be called an overhead per bed per day, of \$1.47.

Mr. Innes: Last year, we had over 1,000 beds in the sanatoria in the province, and it is estimated that by next summer we will have approximately 1,500 vacant beds. At

\$1.40 a day this is going to amount into a very sizeable sum, I would say somewhere between \$500,000 or \$600,000. I would like to know what the government intends to do along this line. It is quite evident that the problem is increasing.

I would first like to compliment the doctors and the personnel in the sanatoria for the outstanding job that they have done in the past. But this situation is quite evident at the time, and we must take steps to reduce it. I wondered what the department intends to do.

The hon. Minister spoke this afternoon about possibly making more headway along heart research and heart diseases. Possibly some of these hospitals could be used for research for heart disease or something like that. What comment has the hon. Minister on this?

Hon. Mr. Phillips: We have made a good start on this, but I wonder if the hon. member realizes the psychological part? Say one of his loved ones was going in there, now let him just think that over. Three years ago we gave approval to Cornwall, and they were going to fill these beds in no time, there were 45 beds vacant. The most they have had at any time is 35 at Freeport Sanatorium, about two years ago. They have 56 beds and less than 25 patients, and the only people that will occupy those beds are elderly people who have lost fear of getting this condition.

The last thing I would like to say is that we will take London. Now, we are having two of our officials, along with one or two officials appointed by the chairman of our hospital commission, and they are going to visit London this week and bring back a report on whether this one building they have there can be rehabilitated for convalescent or chronic patients.

I do want the hon. members of this House to remember that there is a terrific physiological fear complex there.

Mr. Innes: The hon. Prime Minister has always said "Let us be practical." When there are more than 25 per cent. of the beds vacant, we have to be very practical about it.

Hon. Mr. Phillips: I am willing to be practical. Let the hon. member get the people to be practical.

Votes 509 to 512, inclusive, agreed to.

On vote 513:

Mr. MacDonald: There are a number of comments and 3 or 4 questions I would like to put to the hon. Minister with regard to the government's mental health programme.

Let me say at the outset that the hon. Minister has already indicated, in this session, the kind of importance that he places upon the mental health programme by devoting one speech to it. But I sometimes wonder whether hon. members are as completely aware of just how large a part of the overall picture this programme takes? I wonder if we realize, for example, that half of the patients in our hospitals, on any day you want to choose, are in there for mental illness.

To put it in another way, there are as many people in our hospitals today because of mental health problems as are there because of all the other diseases put together.

This raises a question that I think we must take another look at, because while I would be the first one to detract from the achievements that this government has made in its programme of mental health, I think there is some danger that we are going to dwell in praise upon the first few steps that we have taken, instead of recognizing how long is the road that lies ahead in terms of really coming to grips with this whole problem of mental health.

The first question that I want to ask the hon. Minister is this. Our tendency at the moment is to build huge institutions across the province in various areas, such as the one that has just been opened in North Bay. We have one up at the Lakehead and one in Smiths Falls, and so on.

I have looked into this, and talked it over with people who are active in this field and they draw to my attention that the advice of experts is precisely the opposite.

For example, just a few weeks ago, the head of the Montreal Allen Memorial Institute in Psychiatry, Dr. D. Ewen Cameron, made a broadcast over the CBC in which he made this comment:

As one sees within visible prospect, that the psychiatric hospitals of the future will not need to be the great architectural mazes and stone wildernesses that they once were, and the vast building programmes which it seemed certain so short a time ago we would have to undertake are now not likely to be required. We now see that a rapid treatment can be carried out in a small, efficient up-to-date psychiatric division built within our large general hospitals.

In other words, he is pointing out that, instead of more huge institutions, we should work toward the development of psychiatric wings in our existing large general hospitals.

I was rather interested for example—

Hon. Mr. Phillips: Who started the psychiatric wings in general hospitals?

Mr. MacDonald: Who started them?

Hon. Mr. Phillips: We did.

Mr. MacDonald: Is that so? Well, that is rather interesting. The point I want to draw to the attention of the hon. Minister is that, as it is reported in the annual report to British Columbia Department of Mental Health Services, when the scientific planning committee of the Canadian Mental Health Association met recently their recommendation was to get away from these big mental hospitals, in favour of small regional hospitals.

I find, to cite another example, in the report of the province of New Brunswick, where they have a Conservative government, that they talk about getting down to the community hospital to meet mental health needs—a small community hospital rather than one that takes in a great region.

I was interested, for example, in the case of New York, where they have just moved into a new programme—at least they claim it is a new programme—in

Hon. Mr. Phillips: New York state?

Mr. MacDonald: New York state, yes.

Hon. Mr. Phillips: What does the hon. member mean by a small hospital? I ask because I visited 5 hospitals there last summer.

Mr. MacDonald: Just let me quote two brief paragraphs here, and what they say in their latest annual report:

The first of its kind in the country, the new programme is designed to foster the development of local psychiatric services, this is services related to smaller hospitals, increasingly recognized today as the community responsibility. The modern medical approach to mental illness emphasizes early detection and prompt on-the-spot treatment. The objective of the new programme is to deal with mental disease, when and where it is first found, providing diagnostic and therapeutic facilities right in the community.

Then they detail a programme which, I think, merits our consideration here in Ontario.

The Act establishes a permanent system of state aid to local units of government for the support of community mental health services. Counties, and cities of at least 50,000 population, which create local mental health boards, are reimbursed by the state for 50 per cent. of their approved expenditures, up to the limit of one dollar per capita. Services eligible for such reimbursements are out-patient psychiatric clinics, in-patient psychiatric services in general hospitals, psychiatric rehabilitation services and consulting and educational services to schools, courts, health and welfare agencies.

The hon. Minister claims—and I am not going to dispute it, although I think there are other jurisdictions where this move has been made—that we have started these psychiatric wings in hospitals in our general hospitals. But does the Government still feel that the answer to this problem is building big hospitals of the size of the one, for example, that we have just opened at North Bay, when all of the experts in the field argue that precisely the opposite kind of approach should be taken—community hospitals no bigger than a few hundred beds?

For example, in Denmark they are cutting down their large hospitals of 800 and 1,000 into half, so that there are no more than 400 or 500 in each of the hospitals. Is this the kind of thing that we are going to do in Ontario, or are we going to go on building these bigger institutions in the fashion we have done in recent years?

Hon. Mr. Phillips: Let me say this to the hon. member. We have given a great deal of thought to the size a hospital should be. Dr. Hincks, who has been one of the heads of the Canadian Mental Health for some years, came in to see me one day and we had lunch and talked about the matter. We discussed the size of these hospitals. Now, I am not talking about psychiatric units in general hospitals, I am talking about a mental institution. In order that a person can afford, or the state can afford, to run that hospital efficiently, giving every service that is needed—because after all today, when we are treating a mental patient, we are treating an actively ill patient, the same as if he had pneumonia—we decided that 600 beds should be about the smallest hospital.

I believe both North Bay and Port Arthur are 1,100.

The largest one of our hospitals is St. Thomas, with approximately 2,000. In London, Hamilton and the others 1,400 to 1,600. The school at Smiths Falls has over 2,100—it will have 2,400 when it is finished—and Orillia about 2,400.

We do think that is too large, and as the hon. Prime Minister said in this House a year ago, it would be better to cut down the size of the hospital schools. He did not say exactly to what extent, but he said he would cut down on the number of beds.

We are in full agreement that they should be cut down by half, but we do not feel that, if we cut them any further, we can possibly have the services which will serve 600 or 800 just as easily as 200 to 400. I think the important things are the psychiatric units in general hospitals.

Does the hon. member realize this, only 1 out of 9 who go into a psychiatric ward, in the last two or three years, in this province, have not needed to go on to a mental institution? Now that is really worthwhile, and I still think we were the first in the world to start.

Mr. MacDonald: If I had the money I would finance the hon. Minister's trip to Saskatchewan.

Hon. Mr. Phillips: Oh, now, we are so far ahead of Saskatchewan that they followed us. I do give credit to the mental hospital at Waverly. My own uncle started the mental hospital at Waverly, and they have done a great work, and so has the medical school at Saskatoon, because I was there.

Mr. MacDonald: May I ask the hon. Minister another question in relation to community hospitals, or even if we take a big hospital and its relationship to the community. In the past, when mental hospitals were regarded as a sort of place of human storage and you put people in and forgot about them, a community sort of shunned the whole thing. I understand that today there is a growing tendency to integrate community services even on a volunteer basis with what is going on in the hospitals. To what extent does it exist in Ontario, and to what extent does the department encourage it?

For example, I was interested in reading an article in the May, 1957, issue of the *Chatelaine* magazine, entitled "How Regina Housewives Helped the Mentally Ill." This is really a very moving story of how a busload

of housewives of club women, go out once a week to the mental hospital and visit these people in the hospital. The article relates one or two stories which I think are really quite dramatic, of how people who had been lost for 30 years, gained a new interest in life because of the fact that somebody befriended them.

My question to the Minister is this, What is the government's policy in this connection? I am told in some instances it is encouraged, and in other instances the superintendent frowns upon it. What is the view from the departmental level?

Hon. Mr. Phillips: Does the hon. member want me to give him my idea?

Mr. MacDonald: That is what I asked.

Hon. Mr. Phillips: The superintendents of these hospitals have a terrific responsibility, we must not lose sight of that. Sometimes they allow some of the patients to go out, and then they injure someone else, and for that reason it makes the superintendents all the more cautious. Nevertheless, we are working steadily and progressively, and I may say we are making great headway at the present time in bringing in more community help and effort with our patients.

We have some things today that they do not have in most of the hospitals I saw in the United States, and I was at most of the largest ones. The one at Ogdensburg is ahead of us as far as open wards are concerned, taking the box off the doors and the bars off the windows, although I want to tell the hon. members that we started that too; however, not on a big scale.

Then, we have hairdressing parlours, we have nice blankets on their beds instead of the old army grey, and I noticed one article in one of the papers that wanted us to put uniforms back on again after we had just done away with them. We are especially concerned for the women. Men do not worry so much about what they wear, but I want the women to be able to pick out their own dresses, the colour of the suits and things, and nylon hosiery.

Mr. MacDonald: When did this change take place?

Hon. Mr. Phillips: Three or 4 or 5 years ago. The nylon hosiery are worn by the non-disturbed. Most of these patients, and a great number of people outside these institutions—and I think I will stop right there—become very disturbed at times for several days after

each cycle. I may say the moon has nothing to do with it, unless they each have a moon of their own.

But for 3, 4 or 5 days each month, the patient does become disturbed, the rest of the time the patient is quiet and complacent. He might be a little eccentric, the same as you and I, but in the main the patient is normal. Now such patients want to get back into society, and the best way to do it is to have the community effort plus open wards, which is a go-between the inside of the hospital and society. I can assure the hon. member that every one of these things that he has mentioned has received great consideration with us, but we want to be practical.

Mr. MacDonald: Mr. Chairman, I want to pursue another aspect of this question.

We are now spending about \$30 million a year on our mental health—roughly that figure—and I suppose if one made the suggestion that this was inadequate, immediately it would raise the question of whether or not I am being unrealistic.

The thing that impresses me, as I look into this question, is that we are spending today, per patient, on people who are confined in our mental institutions, a little over \$3.

In comparison, we are spending per day on our inmates in reform institutions a little over \$4.50, and on those who are in our general hospitals approximately \$12.

Now there are a growing number of people who question the wisdom of this disparity. As a matter of fact, there is one state in the United States, Kansas, where, instead of building more and bigger institutions, they have directed the spending of more money on a more intensive research and rehabilitative programme within their limited facilities. They discovered that they were able to get better results, discharge more patients, and did not need more beds.

Hon. Mr. Phillips: That is not true. I mean, let us get down to facts. They are just in the thinking and planning stage the same as we are, and we have the same thoughts exactly, but they have no empty beds. I would venture to say there is not an empty bed in any mental hospital in either the United States or Canada.

Mr. MacDonald: Well perhaps my information is wrong. I got it from a Canadian Mental Health pamphlet. I read books. The hon. member for St. Andrew (Mr. Grossman) chastises me for reading, but I got the information from what I thought was an authori-

tative source. The reason why I raise this is that the hon. Minister, in talking about 999 Queen St. West a week or two ago, offered to take me on an escorted visit, which I hope some time to accept.

Hon. Mr. Phillips: Any time the hon. member says.

Mr. MacDonald: He spoke, and I think quite rightly, in very enthusiastic terms of the new wing. But when I read his remarks of about two weeks or so ago when he spoke equally enthusiastically about what was going on in the old institutions, I was puzzled.

What I have difficulty in equating is his enthusiastic remarks with regard to the old institutions and the grand jury report of about 3 months ago. As the hon. Minister knows, there was a grand jury that went in and visited the institution on December 6th. They made comments, for example with regard to why there was not more fresh fruit in season. I do not want to go into that.

Hon. Mr. Phillips: Does the hon. member want to know the truth on that, because I want to tell him?

Mr. MacDonald: Just a minute. I would like to know the truth because this is a public document, and presumably grand jury reports provide us with an authoritative glimpse of what goes on. But their comment with regard to the old institution is this:

The old section of the hospital, in which the majority of the patients are accommodated, is deplorably overcrowded. Additional beds are jammed into every available space. The only place for the patient to relax is on his bed or in the halls.

Originally it would appear that a sun-room was provided for each floor of each wing for general use. These rooms are also jammed with beds. An almost overpowering odour of disinfectant, possibly used in the water for washing the wooden floors, permeates the sleeping, living and dining areas.

The average normal person would find it difficult to eat in the dining rooms on this account.

The general appearance of the clothing of the patients is very depressing.

I asked the hon. Minister when he made these changes in dresses and nylon hose and so on, and he says 3 or 4 years ago. I just wanted to make certain that it was not in the last 2 or 3 months, because their comment

is that the general appearance of the clothing of the patients was very depressing. The grand jury report continues:

While garments were probably clean, the majority were old looking, worn and drab. While there may be some valid objections for the sake of convenience, efficiency, neatness, and personal pride, a uniformed institutional costume provided by the hospital would be of great improvement.

Now I return to the question I want to ask the Minister.

There are experts in this field who argue that, in spending only \$30 million on mental health, working out at \$3 per person per day as compared with \$4.5 for inmates in a reform institution, or to \$12 in the general hospital, we are stinting and we are the losers in the end.

Would it not be wise to spend more, for example, on research? Figures of expenditures on research into mental health in Canada and the United States are really appalling.

Just to cite a few, last year we devoted \$24 million to military research in Canada. We devoted \$8 million to atomic research. We devoted \$2 million to research on forests and fisheries; and many millions—how many I do not know—to industrial research.

The total amount of money devoted in all of Canada, including Ontario, on the research in mental health was \$.5 million, the equivalent of 5 cents per capita.

My question to the hon. Minister is this: Have we not reached the stage when, recognizing that more can be done in this field than was thought possible a few years ago, we can rescue these people from these places of human storage, when the spending of more money would really pay off? Are we not stinting unwisely, and therefore our programme is not being as effective as it might be?

Hon. Mr. Phillips: Mr. Chairman, I have many questions to answer, and in the first place we come to the grand jury report. Here we have the best proof of public-spirited citizens of any place, but they have no medical knowledge they are not supposed to have. They are a group of good Canadians.

Now, they must have gone in there, when they were housecleaning, because I have been in Queen Street time after time, and as far as the odour is concerned it is a good healthy smell.

Now we come to the ladies. There are some of the women who will not, under any circumstances, allow the nurses and the doctors to touch them.

Now we come to the next criticism about fruit juice. I looked up the fruit juice in every Ontario hospital, and what did I find? We were giving them 4 ounces more fruit juice than what was laid down by the federal foundation of nutrition at Ottawa. They were getting more than that.

Mr. MacDonald: Is it fresh? That was the complaint of the grand jury. I do not think it was the amount that was being criticized.

Hon. Mr. Phillips: Well, it was just as fresh as I drink, only I do not get as much as they do, that is about the size of it. Now then, they said they were not getting enough vitamin C from the solid fruit. Now I am not in any way criticizing them for not knowing that in the juice there is only one vitamin. That could be debatable, but the others are in such minimum quantities that there is only one vitamin, C, in the citrus juice and, for the same volume of tomato juice, you get about one-half the number of international units of vitamin C.

In your solid fruits, you do not pile up your vitamins, but you pile up your minerals, and each and every hospital serves it 6 nights out of 7.

The hon. Prime Minister has asked me on many occasions to step-up our fruit juice, or tomato juice, or vitamin C, and it has a terrific benefit, remember, on our physical condition, which in turn helps the mental condition and the minerals certainly do not fall far behind.

The hon. member's figure of \$3.52 for 1956 is correct. Last year the cost was about \$1 more than that. That money was spent chiefly for these comforts, particularly food.

Mr. MacDonald: How much was spent on research?

Hon. Mr. Phillips: Not quite \$.5 million. It is almost half a million, just as the hon. member said.

Mr. MacDonald: In Ontario alone?

Hon. Mr. Phillips: In Ontario alone. Let me say this. I know our hospitals are crowded. If the hon. member can tell me of a mental hospital any place in North America that is not crowded, then the conditions must be pretty deplorable, because they need more and more space for them.

Let us come back to the last thing. I am not satisfied with research. That is why we are trying to find out the basic principle that lies behind the cause of mental illness. I think before too long there is going to be a silver lining. In fact there already has been one, because we in the last 3 or 4 years have been discharging about 69 per cent. of our acutely mentally ill with a repeat of only 3 per cent. to 4 per cent. Now I think that is excellent.

That is just about comparable exactly to Ancora, to Poughkeepsie, and to Ogdensburg. Those are the 3 large mental hospitals in the states of New York and New Jersey.

We spent \$4.5 last year. I am not sure whether that is right to the cent, but it is about \$1 more than the year before.

Last year in the state of New York it ran \$4.02.

I tried to answer all the hon. member's questions, I am not sure whether I did or not.

Mr. MacDonald: I think the fact that New York state only spends \$4.02 is equally deplorable. I said I was not going to deal with American statistics, but let me give just one. They are spending \$102 million in the United States on medical research as a whole, while spending \$36 billion on defence. There is no justification for that kind of disparity in face of a situation, when half of the people are in hospital because of mental disease. We are, if anything, worse in Canada.

Here we are spending only \$.5 million in Ontario on mental research. The fact that we have made as much progress as we have is really quite remarkable, in light of the very small research that is being devoted to it. Our progress has been a gift from the gods.

Hon. Mr. Phillips: We are just in the throes of starting another big research project right now, with the children.

Mr. MacDonald: Let me ask one final question on this because the hon. Minister is, in effect, dismissing altogether this grand jury report. Will the hon. Minister tell me who inspires grand jury visits and reports?

Hon. Mr. Phillips: I have absolutely no criticism. I think they are a group of top public-spirited citizens. Unfortunately the day that they were at Queen Street the higher officials were not there to show them around. Now, we need the superintendent. I am not too sure just who was there, but in order—

Mr. MacDonald: He was there.

Hon. Mr. Phillips: Yes I know, but they should have had the superintendent, the assistant superintendent, the superintendent of nurses, the dietitian and the administrator. Then the visitors could get a complete picture. As a matter of fact, I would still like to take the same group of men—I do not know who they are—back there and show them around.

And did the hon. member notice this, that they did not say anything about the beautiful building out in front. Let us not forget that this old building behind is rehabilitated to such a degree that hon. members would not know it. That is why I want the hon. member for York South to come out there with me. We have torn down that old stone fence in front, and have a reception building there that will hold 58 men, and 50 women in the other, along with the administration, physiotherapy and all types of treatments. There is also a gymnasium. It is as beautiful as any modern hospital has built since 1948, but I assure the hon. member that we are going to keep after this because it is a problem.

Mr. Oliver: Might I ask the hon. Minister about the position of Langstaff at the present time?

Hon. Mr. Phillips: There is no more Langstaff. The city took back Langstaff and Concord.

Vote 513 agreed to.

On vote 514.

Hon. Mr. Phillips: We have here Dr. Neilson and Mr. Erdmann who are appointed by the chairman of the commission, Mr. Swanson, to aid me in this last vote, 514.

Mr. Oliver: I would like, in starting on this vote, to ask the hon. Prime Minister a question. It may be a political question, I know he is not used to that particular type of question. But I want to ask in what respect does the agreement that he has signed with the federal government, for hospital insurance, differ from the one that he stood prepared to sign a year ago with the former Liberal government? What difference is there in essence between the two?

Hon. Mr. Frost: Well we could never get down to an agreement to sign, that was the problem. Now we did by correspondence agree to certain principles, and those principles have remained very largely unaltered, with the exception of a provision about the majority of the provinces, and I forget whether there was another point or not but

I would say, concerning the correspondence between Rt. hon. Mr. St. Laurent and myself, of a year ago that those principles have been followed.

Mr. Oliver: Just one supplementary question. My hon. friend says "with the exception of the point in respect to the majority of the provinces". I could never see what particular difference that made to Ontario. Would my hon. friend enlighten me?

Hon. Mr. Frost: May I point out to my hon. friend that it made this very great difference, that we are engaged in a very great business operation. This is an immense thing, and it involves in total the expenditure in the first year of about \$200 million. Now, if we reach this point that there were 5 provinces that were in agreement, and there was one that was not—the sixth was not in actual agreement or had not signed—we might get to January 1, 1959 and not be able to go ahead. That was our problem.

With the hospital insurance plan, the registration has to commence next August, I think it is, or about that time. The hon. Leader of the Opposition can see the highly embarrassing position that we would be in, in registering and making contracts which might not come into effect.

The taking away of that provision took away an uncertainty which had a very great effect on the planning for this provision.

Mr. Oliver: Except for this, is it not a fact that at least 6 of the provinces have signed this agreement?

Hon. Mr. Frost: The point is this, that there are 6 of the provinces that have agreed. Well, at this moment Ontario is the only province that has actually signed. Now when is a province in the agreement? There is the problem.

We have signed an agreement. I have no doubt Saskatchewan and British Columbia will doubtlessly complete their agreements before July 1, which is the effective date, but at the moment they have not. I would say that they are certainties, so that we have Ontario, Saskatchewan and British Columbia, which I am sure will be signing up by July 1.

The others have apparently announced an agreement in principle, but that is hardly sufficient to go ahead on, and I doubt that if we had the provision that was in the previous Act, we could count that an agreement in principle, without entering into a hard and fast agreement such as we have, would be sufficient.

Mr. Wintermeyer: Excuse me, Mr. Chairman, exactly what is the difference in the regulation now as opposed to a year ago? A year ago it was 6 provinces representing a majority and now it is what?

Hon. Mr. Frost: Now they can make individual agreements with the provinces, and there is no contingency on other provinces signing. For instance, we have signed an agreement and we can with surety go ahead and come into operation on January 1.

If none of the other provinces agree, it would still be effective, and if British Columbia and Saskatchewan enter into an agreement, which I have no doubt they will by July 1, 3 can go ahead. But it is not a necessity that there be 6 agreements in operation.

Mr. MacDonald: There is one phase of the developments of the last few months that I want to raise, because I think it gives rise to problems for which we have not yet worked out a complete solution. I refer to the relationship of the doctors to this whole hospital plan.

Some of the problems involved in this have at least reached the public press. A good many of them have been battled out behind the scenes, and that battle is still going on.

The criticism I find in talking to doctors—and believe it or not I have some very close personal friends who are in the profession—is that the doctors were not involved in any real sense in this plan from the outset, and many of the difficulties that have arisen were because of the fact that they were left off the commission until the appointment of Dr. Urquhart late last fall.

As a result the Ontario Medical Association has had to beat down a revolt that developed in a few places in the province. I think it emanated, in the first instance, from the Sudbury Medical Society, and was supported by the doctors in St. Catharines and a few other areas, until it reached such serious proportions that they had to call in representatives of the various local medical societies and thresh the problem out.

I do not know whether the difficulties have been satisfactorily resolved by now, but I want to say to the government that in my opinion a very serious mistake was made in not giving adequate representation from the outset to the medical profession on the hospital services commission.

The brief that was produced by the doctors up in Sudbury, in effect, expressed impassioned opposition to almost every phase of the hospital plan. But there was one sentence in that brief with which I agree completely: that a hospital without doctors is just a hotel. The proposition that we should set up a hospital services commission without putting doctors on it to sort out the problems involving them, it seems to me, was a very serious error.

Now, one of the reasons why I think we must have the medical association represented on the commission is to cope with problems we are going to face as soon as this hospital plan gets into operation. That is a popular idea, often advanced by opponents on this kind of a plan, that it is the patients who abuse hospitals by staying in too long or going in when it is not necessary.

But there is a growing amount of evidence that some of this abuse arises from the lack of self-discipline—call it what you will—of the doctors.

In fact we have had in the last year or so a very striking proof of this in a case at Hamilton where the Steel Company of Canada and the union, in conjunction with the local medical association and an insurance company, worked out a plan to provide for the medical needs of their employees. Apparently when the plan which was to run for two years, was only about half over, the insurance company came back and in effect said that the available funds were already exhausted.

So you had the remarkable situation of the Steel Company, the union, and the insurance company joining forces to look into the matter. They discovered that when the doctors would visit the hospital, they would go down a ward, visiting a half-dozen patients in a casual way, looking at their charts, or asking them how they were feeling, and a charge would go in for each patient, so that at the end of one year they had exhausted all the insurance funds originally anticipated as necessary for two years.

This is only one instance that is recent, and on our own doorstep, of the possible abuse of a hospital plan by the medical profession.

Now I have talked this problem over with an official of the Canadian Medical Association, and his comment was that 5 per cent. of the doctors will abuse the plan all the time, 10 per cent. or 15 per cent. of them may abuse it until it is drawn to their atten-

tion but will stop; 80 per cent., he said, will not abuse it.

But it seems to me that even those figures are a little optimistic because once there is a plan set up, in which a person has the right to go to hospital, it is very easy for the doctor to say: "Well, I will play it safe and put the patient in the hospital." There is a built-in problem of this kind in any hospital plan. But if part of our problem in the over-use of the hospitals, or the abuse of the hospitals, is because of the doctors, it seems to me that the answer to coping with this problem is for the doctors to discipline their own members. If they are going to do that, the medical association should have been represented on the hospital services commission long before last November.

Hon. Mr. Frost: May I say this, that the difficulties my hon. friend mentioned that existed between the, or do exist between the, medical profession and the hospital services commission, are really non-existent.

If you take the Sudbury case, the objection on the part of the Sudbury people is entirely this, they are fearful that this plan is the commencement of a system of state medicine with which they want to have nothing to do. Now that is the point.

I would say to my hon. friend, whether he is or is not in favour of the system of state medicine, I do not think that there is anything in this Act which would lead to that. I think that the fears that the profession have on that score are entirely groundless, and if state medicine were to come at a later date, it would have to come from an entirely new approach within the ambit of this Act.

Therefore I do not think there is anything to that.

The second point is this: in regards to the medical profession, when the Act appears—remember the commission was in an organizational state when we passed the bill two years ago—and on the commission were Mr. Swanson, Monseigneur Fullerton and Dr. Neilson.

Now, Dr. Neilson is here today. He was on the commission from the commencement.

Well, later as we enlarged the commission, Dr. Urquhart was brought in last November. As a matter of fact the medical profession gave us a panel of names, and Dr. Urquhart's name was one of them, and his appointment was very satisfactory to them.

Now at the present time, the medical profession has throughout had one-third of

the representation on the commission. I think that is very fair and very reasonable.

I ask my hon. friend to remember this, that this hospital plan is really, to a very large extent, based upon the Blue Cross plan operating in this province. As a matter of fact the Blue Cross plan was resolved by the hospitals themselves, the doctors did not really come into that picture at all. But we have brought them in with a one-third representation in this case.

Now I would say, as regards to the second part of this question, that the abuse by what he says would be by 5 per cent. of the medical profession, I will leave that to the hon. Minister of Health to reply to, because he is more competent to do it than I am, and I think he does understand the situation.

Hon. Mr. Phillips: As a matter of fact, it was the same as Christ and the 12 disciples, one was a bad egg. One of the 12, $8\frac{1}{3}$ per cent.

Mr. MacDonald: Mr. Chairman, I want to go back to this for a moment because the complaint of the medical association, whether valid or not, is that they do not feel that Dr. Neilson was their representative, though I do agree that he was on the commission from the outset.

But their complaint is that there was not any opportunity to sit down and thresh through these problems. In fact, some of them claim that they still have not had the opportunity to sit down and negotiate in the kind of way negotiation takes place between a potential employer and his employees.

If it eases the hon. Prime Minister's mind any, they have exactly the same complaint with regards to the late Liberal government at Ottawa. Their complaint is that before the federal bill was brought down they were not able to see a copy of it, and as a result many differences that could have been ironed out became included in the bill.

I have been very critical of the medical profession in the past, and I suspect I am going to be very critical again, because of their basic attitude toward what they choose to describe as state medicine. But it seems to me that they play such an integral role in any such plan that it is just plain common-sense to sit down and negotiate differences at close hand, instead of at arm's length. Rightly or wrongly, the medical association is concerned. This has been the case up until now. Now the hon. Prime Minister in fact dismisses it by saying they are imaginary problems. I do not know whether that

explanation will satisfy the doctors, because they insist they are not imaginary.

Hon. Mr. Frost: I can assure the hon. member there is no arm's length dealing now, and as a matter of fact their representative was there all the time they christened the agreement with Ottawa, which was really the important thing that was negotiated between last October and November and the time we signed it. That was when the agreement was really negotiated. They were present all the time, and I can assure the hon. members that there was no desire on our part to do anything but have a real good working heart.

Mr. Wintermeyer: Mr. Chairman, this unquestionably is a historic vote. I think we will all agree in that respect, and with your permission, Mr. Chairman, I would like to refer to one or two things.

Firstly, the hon. Prime Minister has said that, due to a change in what we might term the regulations, he was in a position to sign an agreement with the federal government where he was not in a position to do that a year ago.

Now, being very technical about it, I think that there is something in what he said, that immediately he can sign in an unilateral fashion, whereas before, he was required to have a stipulated number of provinces in agreement with him.

From a practical point of view, however, I think that all will agree that there is no question in the world that the requested number of provinces would have come in.

Now one thing that I do think should be pointed out at this time—and I am sure the hon. Prime Minister will agree with me—is that this current vote is the culmination of a lot of work. It started 10, 12, 13 years ago, in 1945 I believe, when the federal government made its original proposal. At that time, the proposal did not relate to hospital insurance but rather to a health insurance scheme. As such, they indicated they were not specifically intended for, or limited to, hospitalization.

At that time, the federal government suggested it would help by underwriting a good cost of the construction of hospitals by inaugurating as we all know, the blind pension, and implementing the old age pensions to the extent that over 70 they assumed 100 per cent. of the total cost.

Now during all this period of time, I think that we must recognize the real initiative that was demonstrated by the federal government of that particular date.

Today, I think we are privileged to have the opportunity to work on the foundation and build on the foundation that was prepared 12 or 13 years ago, and immediately there is the opportunity to undertake hospital insurance.

I think the hon. Prime Minister will agree with me that it was on his initiative, at one stage of the conferences, that the direction of the conferences changed from an over-all health scheme to a specific hospital scheme. I think the initiative in that respect came from the provinces.

Now, I would hope that this is only the first of a series of steps. I would hope that the original intent that was outlined 12 and 13 years ago, in the form of a broad health programme, is not to be repealed and discarded, and that we are to conclude that this is the end of the entire original proposal and scheme that was undertaken and proposed 12 and 13 years ago. I would hope that this is only one step in the ultimate series of steps that were envisaged by the government of the day back in 1945.

And now specifically, Mr. Chairman, I am concerned to know how much money this particular scheme is really going to cost. I think it has been estimated that the total cost is in the neighbourhood of \$210 million. Now it is an estimated cost, of course, of which $\frac{1}{3}$ will be paid by the federal government, $\frac{1}{3}$ by premium collections, and presumably $\frac{1}{3}$ by the provincial government.

Now, if I am right in those assumptions, I would like to know how the $\frac{1}{3}$, that is to be paid for by the provincial government, is made up. If I am right in the assumptions I have made, the cost to the provincial government would be in the neighbourhood of \$70 million or $\frac{1}{3}$ of the \$210 million.

Now, included in that \$70 million, I presume, is the cost of tuberculosis care at the present time, and mental care at the present time. Those costs are in the neighbourhood of \$42 million.

Now then, that leaves a balance of say \$28 million. What portion of that \$28 million is represented by grants to be made to municipalities, or indigent care, and what portion of the \$28 million is represented by administrative costs? These are the specific questions I have in mind at the present time. I would like to know exactly how this government breaks down the \$70 million over and above the specific references I have made.

Hon. Mr. Frost: Well I do not know that I could give my hon. friend that information.

When the supplementary estimate is introduced later, when this is worked out, we will be able to do that. But there are certain things that enter into this picture at the present time. There is the matter of insuring and paying the premium for all the social service cases. There is that question, that he mentions, of the medically indigent person, the person who is not a social service indigent or case, and for whom the municipality would pay but we would reimburse the municipality.

As a matter of fact, I do not know the amount or how, as yet, it will be worked out—that unconditional grant to the municipalities—whether it would be a flat rate, a grant, or a graded grant. It will depend upon the work that the commission will do in evaluating what the costs are.

Then of course there is the mental health end of it in which we of course will lose certain revenue. The small amount we collect in premium is not to be devoted to hospital care, but is to be devoted to a research programme designed at keeping people out of mental hospitals along the lines that my hon. friends mention here.

As a matter of fact, I think the hon. Minister of Health will agree that there has been perhaps much too much emphasis in the past to the custodial feature, and not enough to the other feature. Keeping people out will save us vast amounts of money. That is the purpose to which we intend to devote the small premium involved in that particular matter.

Mr. MacDonald: How much does that involve?

Hon. Mr. Frost: I forget the amounts, but I think it is—what is it 20 cents or 30 cents. Twenty cents for an individual and 30 cents for a family, I believe—some very small item anyway. As a matter of fact, all the mental health costs will be taken care of, and all the costs in connection with tuberculosis will be taken care of.

Mr. MacDonald: That will be something like \$1.25 million.

Hon. Mr. Frost: Well, I mean whatever loss there is. Our estimate was roughly that it worked out to about I think $\frac{1}{3}$ each way, as closely as we could figure it out.

Mr. Wintermeyer: Of course, Mr. Chairman, when the hon. Prime Minister says $\frac{1}{3}$, he acknowledges the fact that this is roughly \$70 million, of which the government of

Ontario at the present time is contributing at least \$50 or \$60 million. Is it fair for the hon. Prime Minister to say that, when he determined the estimate for provincial contribution to the health services commission in the amount of \$4.6 million, that he was making as accurate an estimate as he could? All right, if so, and that is as the hon. Prime Minister has said, in fairness, I think—

Hon. Mr. Phillips: That is for the first 3 months.

Mr. Wintermeyer: We would multiply that by 4 and we come up with a figure of \$18 million. Likewise either the hon. Minister or the hon. Prime Minister has told us that next year the \$8 million will not be included in the supplementary grants, so we deduct that. So the \$8 million is included in the \$18 million, if you will. The additional cost would be in the neighbourhood of \$10 million. Now is that a fair assumption?

Hon. Mr. Frost: Well I do not know if I follow the hon. member.

Mr. Wintermeyer: Well, what I had hoped was that we could start with a 70 and work backwards. If we cannot do that, can we approach it in a different way? The hon. Minister has set forth, in his estimate of The Department of Health, under item No. 514, subsection 10, the amount of \$4.625 million as his estimate for the cost of—or your contribution toward—the hospital commission, for a period of understandably 3 months. Presumably therefore, for a year, the contribution would be 4 times that, or \$18 million.

Now that, I presume, is this government's estimate of the cost of this new programme, over and above the current costs. From that \$18 million, of course we must deduct the \$8 million that the hon. Minister says he will not contribute next year, or at least in the year 1959, and I would therefore conclude that the cost of this programme to the province of Ontario is a difference between \$18 million and \$8 million, or \$10 million.

Hon. Mr. Frost: Well it might be. I would say to my hon. friend that it is very difficult. I suppose that his question is: How much more is it going to cost than at present?

Mr. Wintermeyer: That is right.

Hon. Mr. Frost: I would say to my hon. friend that that is pretty difficult to calculate, if he takes that figure of \$10 million. It might

be right. But he must remember that we would also be relieved of certain costs we are presently paying.

I read an editorial in the *Toronto Daily Star* the other day. It was the last editorial on the page. I do not know whether the editorial was written to be critical or not, but I took it as being complimentary. It said that a "pretty workmanlike job" had been done. Now what we are endeavouring to do frankly is this. We are not looking to find a great big hole in which to put money with a pitch fork. We are trying to take vast sums of money that this province has been paying, and streamline them into a hospital insurance plan that will be for the benefit of everybody.

I would say this to my hon. friend, if we can keep our expenditures close to what we are spending at the present time, it will please us all very, very much.

Now I would like to do that. I am not looking for a place to throw away money. Remember we have probably 4.5 million people in the province at the present time paying premiums. They are paying premiums for a partial coverage. Nobody has a complete coverage at the present time. They are paying an immense sum of money for a partial coverage. In the meantime, we are paying money in all sorts of directions, for tuberculosis, mental health, grants to hospitals, and all sorts of things.

If we can take what we are paying in this province, and can combine that with the assistance we get from the federal government, and can make a compact insurance plan that will give our people the coverage that we envisage, without increasing general taxation and reducing, as a matter of fact, the premiums our people are paying and spread it out over the entire population, I would call that a workmanlike job. Now I would say that is the objective.

I would say to my hon. friend, when he says \$10 million, that there are savings that we will effect other places in the budget—savings probably in indigent payments and things of that sort that we are presently paying for. I would hope myself that we will be able to bring in a good plan that will just simply streamline and direct the payments we are presently making, together with the payments individuals are making, and out of that make a good insurance plan.

Mr. Wintermeyer: Mr. Chairman, I think it is fair to conclude that what the hon. Prime Minister is saying is that, in all probability, the estimate of \$10 million is too high, and

he would just as soon see it low, and I think that is true to that extent.

My real concern is this. There has been a lot of talk that the premium, although it is lower than we would expect or is currently being paid to other institutions for similar types of protection, is in fact not the \$4 and some odd cents per family, but it is really costing the people of this province 3 times that. They are, after all, making the contribution toward the provincial government and the federal government.

Now what I am concerned about is this. Is it fair to the people of Ontario, to in effect say to them, now the Ontario government is going to pay 1/3, the federal government is going to pay 1/3 and we are going to collect 1/3 from you, and because of that, we set the premium at the rate we have set?

Would it not be better to reduce the premiums if you can, and assume more of that cost at the provincial level, for this reason, that the premium at the present time bears heavily, there is no question, on the larger family, on the individual householder? Could it be spread more equitably?

The hon. Prime Minister will recall very well, that when these committee meetings first started, he was not much impressed with premium collections. The hon. Prime Minister preferred some other type of contribution. I must in fairness say that I personally at the outset thought a lot of premium collections, and thought it was one means of underwriting this whole scheme with a minimum of cost to the province.

Personally, my thinking is changing in this respect, and I would like to know whether or not there is any truth whatsoever to the rumours that, in due course, within a matter of one year or two, we will vacate the premium payment plan for something in the nature of a sales tax to underwrite and pay for this cost that is currently being borne by the people?

Mr. MacDonald: That is what the social credit in British Columbia did.

Mr. Wintermeyer: Has the hon. Prime Minister any intention of doing that?

Hon. Mr. Frost: No.

Mr. Wintermeyer: Has the government any intention?

Hon. Mr. Frost: No.

Mr. Wintermeyer: Have the experts suggested that is an inevitable result?

Hon. Mr. Frost: No, they have not. As a matter of fact, there are some people who have suggested that, particularly from other places and other provinces, but we have thought that we could do it this way.

I would say that that was one of the reasons we carried the point with the federal government of the interpretation of universal availability. You can get in the collection of premiums. It is not the soundness of the premium system, I mean the theory of premiums that was wrong. Of course, remember that these premiums are very heavily subsidized. The coverage is subsidized to the extent of $\frac{2}{3}$ by the provincial and the federal governments, which is a tremendous thing. The problem of premium collections elsewhere, and what has caused the trouble notably in British Columbia, and I do not like to mention another province, was the fact that their premiums were mandatory on everybody, and therefore you ran up against an impossibility.

In this case here, we have a very great deal of flexibility on that matter, and I do not think that we will run into that problem. I think that we can avoid it, and I think that we can do what I think everybody says is the sound thing to do, and you might ask Dr. Malcolm Taylor on that point. Dr. Taylor has always taken the position that a premium collection, or premium payment, is one of the sound features, or should be one of the sound features, of a plan such as this.

I would say that we do not have any intention of doing that, and I think with the type of agreement we have, we can make the premium system work. Furthermore, I think that the type of agreement we have negotiated will make it very much easier for some of the other provinces which would be faced with difficulties which would be almost insurmountable if they did not have this arrangement.

Mr. MacDonald: Mr. Chairman, there is one other aspect about which I would like to ask the hon. Prime Minister. A question. Does he anticipate that the increase in grants for hospital beds is going to be sufficient to increase the availability of hospital beds to meet the situation after the plan gets into effect?

Now, may I just spell out a few related facts here. Out-patient diagnostic services are not included, which I think is a very serious defect in the plan. As a matter of fact, the hon. Prime Minister himself, in the early stages of committee discussion, intimated

that, too. He said this would be the area for first expansion.

I hope it will come sooner rather than later, because until it is included, it simply means that the federal government does not share in this cost; we pay the whole cost ourselves, in the province of Ontario. For other reasons this is regrettable, for until we have out-patient diagnostic services, it means that there will inevitably be a good many people entering the hospital for diagnostic treatment that might be kept out, and thereby reduce the pressure on our limited number of beds.

The government has increased the grants. So far, so good. The grant now is \$4,000 instead of \$2,000. But I point this out to the hon. Prime Minister that when the grant of \$2,000 per bed was in effect, say 5 or 10 years ago, the cost of the hospital bed might be \$7,000 or \$8,000. Now it has gone up. True the two governments are paying \$4,000, but the cost of the hospital bed may be \$15,000.

It seems to me that the point that we must look at is not how much the grant is, but how much remains at the municipal level. When the cost was \$7,000 or \$8,000 and the government was getting \$2,000 in grants, the municipality had \$5,000 or \$6,000 left.

Today the cost is \$15,000, and they are getting \$4,000 in grants, so that the amount left is \$11,000.

It still is twice as heavy a burden on the local authorities to build these hospital beds, and it would seem to me in light of the experience in many other jurisdictions that not enough is being done to make available sufficient hospital beds, particularly when the demand will be greater because out-patient diagnostic services are not included.

I would like the government's comment on that, either the hon. Minister or the hon. Prime Minister.

Hon. Mr. Frost: In connection with diagnostic services I certainly agree with anything that will lower the time to be spent in hospital stays. In working it out with the hospital commission a great problem was this—it was where to start that particular plan.

As a matter of fact we did look at that very carefully and I thought myself that the proper place was to start the diagnostic services first of all. After we got into it we found we were really putting the cart before the horse; that actually speaking it would be easier to work that system once you got

the plan in operation than to try and do it before hand, so I was correct in my approach. I was wrong in what I thought about catastrophic illnesses and the way they would be taken care of. As a matter of fact there is only one sound way to take care of them and that is by general plan. Those things come about evolved in the course of your dealing with the problem.

The point raised by my hon. friend, in connection with hospital accommodation I have no doubt the hon. Minister of Health can give you this but I think that there is this feeling on the part of the hospital services commission and I could be wrong about this, that the problem really is not one of active treatment beds, that is highly specialized beds or treatment beds, but really it is more of a problem of the convalescent and chronic beds. Now I again could be wrong in that, but may I say there have been very many things done to assist in that area. Take for instance the building of homes for the aged, we have been having an addition of thousands of beds in Ontario, that in itself is having a very great effect.

My hon. friend from Oxford (Mr. Innes) this afternoon mentioned the matter of TB hospitals. Now I think that probably what will come about is this, that certain of those hospitals will be taken over in their entirety and they will be made hospitals for convalescents. We have already looked at that in connection with certain of the hospitals in the Kitchener area. We have looked at that possibility through the instance of Mr. Lang and others who are very much interested in that problem.

I would think myself that that very probably is where the emphasis should be placed in the time to come.

What can be done in that regard I do not know. The steps taken to provide for home nursing I think is an important feature. You have to begin in a small way but I think that is an important feature. I would not want to get into the controversial area of private hospitals but it may be that there is an area in which by regulations private hospitals could come, which would again very much reduce the pressure if that can be worked, on the highly specialized hospital. Those are the things, I can only say this, that this is a great plan which has very many difficulties. There is no doubt about that. Those difficulties can only be worked out with patience and understanding and the preparedness to change the plan (on the point of view) if it becomes necessary to change it.

Mr. MacDonald: May I ask the hon. Prime Minister a final question, going back to diagnostic services. Apart from the difficulty of working out a procedure for payment with the medical association what reason is there that makes it impossible to include out-patient diagnostic services immediately?

Hon. Mr. Frost: Now it might be possible, it might be possible to work it out immediately, but I would say Dr. Neilson might not agree with this.

My hon. friend mentions, for instance, the medical profession. One of the great problems in bringing this plan into being was to do what he suggested to keep the medical profession as part and parcel and partners of this plan.

A great many doctors that were very suspicious, I think wrongly so, in connection with diagnostic services—and I would say this, that perhaps added to our difficulties to change the order on them. I am talking about the management of the affairs and men.

Mr. MacDonald: In other words, the main problem is the attitude of the medical association.

Hon. Mr. Frost: No, I would not say that; I would let the hon. Minister of Health speak for the doctors. I am only a layman, I do not tread on dangerous ground. Undoubtedly, there were feelings there which I do not think were justified, and I think can be satisfactorily worked out, but in any event it did appear that it would be easier to work it from a plan such as the Blue Cross plan, which covers everybody, and then to work out these subsidiary matters—to start them first and work up from that.

Mr. Thomas: I would like to ask the hon. Prime Minister a question regarding the cost of indigent care. At the present time of course as you know, sir, the statutory rate is somewhere between about 5 or 6.25, and whatever cost to the municipality will be reimbursed I presume at the end of the year by unconditional grants, that is what the hon. Prime Minister said.

Obviously of course the care for the standard ward care, set down by the commission, will be higher than the statutory rate. Which would the municipality pay, the statutory rate?

Hon. Mr. Frost: No, the actual cost.

Mr. Thomas: The actual cost, and then they would be reimbursed at the end of the year in the form of unconditional grants.

Mr. Oliver: In this statement of the hon. Prime Minister's this afternoon, that the \$200 per bed to public hospitals for maintenance would not be granted or continued this year. I want to ask him what the hospitals get, or what will they get in lieu thereof? It would seem to me cutting off a grant of \$200 a bed would be quite a bad blow to the hospitals. What do they get either in the hospitals, or through the hospital insurance scheme? What is there in it, that in any measure compensates for the loss of the \$200 per bed?

Hon. Mr. Frost: With the hospitals, we were dealing really with organizations which were generally speaking insolvent. The hospitals had been losing money for years and these grants were sort of deferred maintenance grants to enable them to get their plant and equipment into reasonably good shape. I think by and large they have done a very good job, but again remember they were really insolvent organizations, the whole 150 of them.

What has happened is this—with this plan remember there are certain profits now that they can make.

For instance, they now receive their cost of doing business. A person goes into a public ward and they are paid for that, there is no question about that.

Private rooms and things of that sort provide, or do in theory, some profit. Now, that was one of the points of difference with the hon. Mr. Martin; we felt that the matter of depreciation should be included in their cost of operation. Now the federal people felt—and I am bound to say that they had some justification for feeling this—that there was a profit that accrued to the hospitals under this plan that would enable them to take care of their own depreciation. I am doubtful about that myself. On the other hand, I am prepared to give it a run. I think that sooner or later—and I think soon—the federal authorities and the provincial authorities will recognize some type of depreciation in the cost of doing business and will enter that into the per bed cost. I forecast that that will come about. I think that the cost of administration will be likewise. I hardly think it arguable that administration is a matter which should be excluded from hospital cost. I think it will be included. There will be some of those things that will come into the plan as we go ahead with it. I am satisfied with that.

Mr. Oliver: One more question; it is related to the one the hon. Premier has been discussing.

That has to do with the supplementary vote itself. My hon. friend has said that he is not going to pay them \$200 per bed, but he has also said that in his opinion or judgment it will be necessary to have a supplementary vote. How are you able to forecast the supplementary vote and what would it be for?

Hon. Mr. Frost: As a matter of fact, my illustrious predecessor had freed me from the work of making this estimate but I think it must be agreed that this vote, 514, cannot be anything more than a guess of what is involved and, as I say, there are other matters which will run into this cost and that is also true, for instance, in connection with indigents in the Department of Municipal Affairs estimates. It was felt far better to go ahead and make the estimates, as we have made them, rather than take them all to pieces from a number of different points of view and hypothesis that we would run across in trying to estimate what would happen on the first three months of next year. And, therefore, when I say that I have no doubt that this matter will have to be taken care of by a supplementary estimate, I say that after having been seated with these men when these estimates were in the course of preparation—or at least part of the time—and I would think that this can only be a reasonably accurate estimate of what is involved. They will be refined as we go ahead.

Mr. Whicher: I would just like to ask the hon. Prime Minister one further question along that line.

He said that in the past there were certain people in the public wards who, of course, did not pay and now they will pay. I wonder, if they will be paid for by the municipalities and reimbursed by the province, but could they. I wonder if the hon. Minister of Health could tell us what was the approximate percentage of loss by hospitals in Ontario in the past.

Hon. Mr. Phillips: I doubt if we could give it to you here.

You put it as a percentage lost in our A hospitals. They receive for indigent patients \$10.25 a day, now that is made up of \$6.00 from the municipality, \$2.35 plus \$1.90 from the province making a total of \$10.25. In our B hospitals they receive \$5.25 per day, plus \$3.36, making a total of \$8.66, and then in our 'C' hospitals \$2.80 plus \$4.50, so they did not just get their municipal statutory grants. Now they may have lost a little, but they did not on the whole lose too much.

And remember, they were paid our grant of \$2.35 for every day of the year regardless of occupancy.

Mr. Whicher: Mr. Chairman, that was the point that I wanted to be fair about, I do not think the hospitals really did lose very much and to me it will be extremely doubtful if the Ontario government does not have to give \$200 per bed next year, because I do not think there was a great loss by any means. I know in our own hospital the percentage is very, very low indeed.

Mr. Chairman, I would like to ask the hon. Minister what percentage of the population of Ontario does he think will be enrolled by the 1st of January, 1959? He must have some figures.

Hon. Mr. Phillips: Well, the hospital commission has it figured between 80 and 85 per cent., but even if we were a little more conservative in our estimates it would be between 75 and 80 per cent., we are quite sure of that. And that is really being liberal.

Mr. Whicher: Mr. Chairman, in view of the fact that the hospital care is going to be taken out and taken care of now by premium, and by the two levels of government, what about the hospital tax on theatre tickets? Will it still be continued? What are you going to do with that? After all, if you are going to have a hospital plan and it is being taken care of by the federal and provincial governments and premiums, what is the hospital tax on theatre tickets going to be for now?

Hon. Mr. Frost: Well, it will run into the provincial share, I would assume. That is where it would go, to help to pay that \$70 million. You have to get it somewhere.

Mr. Whicher: You will be making a profit before you are through.

Hon. Mr. Frost: Oh, no, no. I should say not.

Mr. MacDonald: Mr. Chairman, there is a question that we were told before the standing committee on government commissions the other day—or rather before the health committee, when the hospital commission was there—was political and beyond their jurisdiction. I want to put this problem to the hon. Prime Minister. There is a major problem in integration of union contracts with management regarding hospital coverage. It may be that this hospital coverage is going to become available at a cheaper price, resulting in a saving which can be negotiated

either towards the coverage beyond standard ward, or if conceivably this is already covered, my question is this: Can this saving be an item for negotiation either in extended coverage or in some other fringe benefit or is this saving something that management can pocket? The reason why I ask is this, that I understand that there is a sort of gentlemen's agreement that contracts which may run out at varying times, having no relationship to the starting date of January 1, 1959, when this scheme comes into effect; that because of this running out of contracts at varying times, there is going to be a difficulty in settling this in the extraordinary circumstances when normal rights under the Trade Union Act are denied. When a contract is normally opened up, if there are difficulties, which cannot be settled, a union can go as far as strike action. Now is there going to be this normal freedom of negotiation, even though it may be halfway through a contract, should differences and difficulties arise in negotiating the disposition of this saving from hospital insurance?

Hon. Mr. Frost: It is pretty hard for me to answer the hon. member for York South, because it is apparent, that there is a sort of a hiatus period there. I would think the tendency in any of them would be to remember that the hospital services plan is for a public ward bed. As a matter of fact, most of these plans cover more than that, and that is one of the reasons that we have been so careful to keep alive the Blue Cross and other organizations which could take care of that. I have no doubt that there will be periods of adjustment there. I think that the tendency will be to give a better coverage, a more complete coverage, I think that will be the tendency, but how it would work out in the balance of individual contracts is pretty hard to say.

I want to say this to express my own belief in it. The hon. Minister of Health has said that at the end of the year, 85 per cent. of the population would be covered?

Hon. Mr. Phillips: Oh no, I said 80.

Hon. Mr. Frost: Well, the Commission felt 85 per cent., he thought 80; I have not been as optimistic as that myself, I have been more cautious than that for the first year. I think, myself, that perhaps it might be a lesser number than that, but I certainly think that in the course of a year or two they would go beyond the 85 per cent. I think that is the point, but I doubt that—they may be able to do it; as a matter of fact, a very

good organization may be able to do that, but there are a host of problems to be dealt with, I can assure you. I express my great admiration for Mr. Ogilvie and for the members of the commission, for the hospital association organization.

They are all very optimistic as to what they can do and they perhaps have more grounds for saying they can do it than for my wonderment that they can go so far in one year. I do express that, that I have been cautious on that point.

Mr. MacDonald: The hon. Prime Minister did not answer my question, and I want to assure him that there are a lot of local unions who are asking this question, and why cannot there be some clear answer to it? If there is a saving in hospital insurance, has the union got the right to negotiate that saving in terms of extended coverage or if they now have complete coverage, otherwise into other fringe benefits?

Hon. Mr. Frost: That is a difficult question to answer, they are all different—

Mr. Child (Wentworth): It's a matter of negotiation.

Mr. MacDonald: Well, another gentleman over here says it is a matter of negotiation. What I am asking is, have they the right to negotiate? Or are they going to be faced conceivably with this situation, where management says, "You got hospital coverage, it is now going to cost no less than it did before, but we have the right to pocket it." Are they going to have the right to negotiate no matter what stage of the life of their contract, to negotiate that saving for extended coverage or another kind of fringe benefit.

Hon. Mr. Frost: I could not give a blanket answer as to what right there is of negotiation, it depends on the contract, but they all come up in the course of a very few months anyway. It is not a very lengthy period in any event.

Mr. MacDonald: There may be a union with a contract that started the 1st of January, 1958 and is going to run until the 1st of January, 1960.

Hon. Mr. Frost: I assume this, that if it is a matter that there is a public ward coverage and it is all paid for by management, I suppose management saves. On the other hand, if there is a public ward coverage and it is paid by both parties or paid by some

arrangement of deduction, then the employees would save. I suppose that would be the case but on the other hand, I think the hon. member will find that there are few contracts like that. I think most of the contracts provide for some private coverage. I would have to ask the Blue Cross about that, but I think that is so, and therefore the coming in of this plan on a basic arrangement would still leave it that the residue would have to be taken care of. Beyond that, I am sorry, I could not answer the question.

Mr. Whicher: Mr. Chairman, I wonder if the hon. Minister could give us some indication as to what would happen in connection with chaps who are in the hospital under the Department of Veterans Affairs or the workmen's compensation?

Hon. Mr. Frost: I must say myself that I doubt the hon. Minister of Health would have the information behind this. Why not ask those questions in the committee on health. We would be very glad to have the commission there, and all of these questions can be explored there, and can be asked and answered in conversation. It is pretty difficult to answer these questions.

Mr. Oliver: Does the hon. Prime Minister know there is a very obvious limitation in the committee on health. The questions themselves are not taken down nor are the questions recorded.

Hon. Mr. Frost: If it would be of assistance, I would be very glad to arrange a time and place where they would be recorded. If that is desired, it can be arranged. The questions about the hospital insurance plan itself could be asked and dealt with in a conversational way. I think more ground would be made that way.

Mr. Whicher: I would like to point this out, that the way it is going now, there are three or four committee meetings every morning and it is impossible to get to them all, that is all there is to it.

Hon. Mr. Frost: I will tell you what I will do. I think the committees end some time this week, but I can arrange for a day next week where you will have full play all morning, how would that be?

Mr. Whicher: That would be very good. As a matter of fact, I would not want to give the indication that we did not have a meeting with the commission, but after listening to

them explain things, many, many questions came up that we just did not think about at the time.

Hon. Mr. Frost: Well, we will arrange that for next week. There will be a day next week available.

Mr. Oliver: On that point, if we are going to agree to this proposition which is, after all, a reasonable and an understandable one, I would want to make clearly understood that there would be a *verbatim* report of the questions and the answers.

Hon. Mr. Frost: We will arrange for that.
Vote: 514 agreed to.

Hon. Mr. Frost: Mr. Chairman, I move the committee rise and report certain resolutions.

Mr. H. M. Allen (Middlesex South): The committee of supply begs to report that it has come to certain resolutions and asks for leave to sit again.

Motion agreed to.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to.

House in committee; Mr. Allen in the chair.

Hon. Mr. Frost: If there are any of these points that the hon. members opposite want to hold up or if they want them held over, if they just say so, I will do that.

THE CHILD WELFARE ACT, 1954

House in committee on Bill No. 90, "An Act to amend The Child Welfare Act, 1954."

Sections 1 and 2 agreed to.

On Section 3:

Hon. Mr. Cecile: I move that section 2 of section 64, of that section 3, be amended by striking out the word "fifteen" and substituting therefor the word "seven"; by striking out "fifteen in the seventh line and substituting the figure "21."

The Chairman: Shall the motion for amendment carry?

Section 3, as amended, agreed to

Sections 4 to 6, inclusive, agreed to.

Bill No. 90 reported.

THE MOTHERS' AND DEPENDENT CHILDREN'S ALLOWANCES ACT, 1957

House in committee on Bill No. 104, "An Act to amend The Mothers' and Dependent Children's Allowance Act, 1957."

Sections 1 to 5, inclusive, agreed to.

Bill No. 104 reported.

THE INDIAN WELFARE SERVICES ACT, 1955

House in committee on Bill No. 105, An Act to amend the Indian Welfare Services Act, 1955.

Sections 1 to 5, inclusive, agreed to.

Bill No. 105 reported.

THE PUBLIC PARKS ACT

House in committee on Bill No. 108, An Act to amend the Public Parks Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 108 reported.

THE PROVINCIAL PARKS ACT, 1958

House in committee on Bill No. 109, The Provincial Parks Act, 1958.

Sections 1 to 19, inclusive, agreed to.

Bill No. 109 reported.

THE SHERIFFS ACT

House in committee on Bill No. 112, An Act to amend the Sheriffs Act.

Sections 1 and 2 agreed to.

Bill No. 112 reported.

THE FIRE DEPARTMENTS ACT

House in committee on Bill No. 113, An Act to amend the Fire Departments Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 113 reported.

THE JUDICATURE ACT

House in committee on Bill No. 116, An Act to amend the Judicature Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 116 reported.

THE PUBLIC UTILITIES ACT

House in committee on Bill No. 119, An Act to amend the Public Utilities Act.

Sections 1 to 5, inclusive, agreed to.

Bill No. 119 reported.

THE ONTARIO MUNICIPAL BOARD ACT

House in committee on Bill No. 120, An Act to amend the Ontario Municipal Board Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 120 reported.

THE LOCAL IMPROVEMENT ACT

House in committee on Bill No. 121, An Act to amend the Local Improvement Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 121 reported.

THE HOMES FOR THE AGED ACT, 1955

House in committee on Bill No. 122, An Act to amend the Homes for the Aged Act, 1955.

Section 1 agreed to.

Section 2.

Hon. Mr. Cecile: Mr. Chairman, I move that the new section 24 as contained in section 2 be amended by striking out the following words: "the amount of the operating and maintenance cost" in the fifth and sixth lines and substituting the words "any operating or maintenance costs" so that the section shall read—"they shall be paid monthly out of the money appropriated therefor by the legislature to the treasurer of every home and joint home an amount equal to the percentage prescribed in the regulations of any operating or maintenance cost of the home or joint home computed in the manner prescribed in the regulations."

The explanation for that is the amendment is simply to widen the scope of the language to insure that the necessary regulations may be made.

Section, as amended, agreed to.

Section 3.

Hon. Mr. Cecile: Mr. Chairman, again in section 3, I move that the new clause E be amended by striking out the words — "the amount of the operating and maintenance cost" in the first and second lines and substituting the following words: "any operating and maintenance costs" and that the clause shall read—"prescribing the percentage of any operating and maintenance costs of homes and joint homes that will be paid by the province under section 24." The same reason as before is alleged, to enlarge the scope of the language and insure the necessary regulations may be made.

Section, as amended, agreed to.

Sections 4 and 5 agreed to.

Sections, as amended, agreed to.

Bill No. 122 reported.

THE TIME ACT, 1958

House in committee on Bill No. 136, The Time Act, 1958.

Sections 1 to 4, inclusive, agreed to.

Bill No. 136 reported.

Hon. Mr. Frost moves the committee rise and report certain bills with and certain bills without amendment, and asks for leave to sit again.

Motion agreed to.

The Chairman of the committee of the whole begs to report certain bills without amendment and certain bills with amendment and asks for leave to sit again.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House, I think perhaps I can give my hon. friends opposite the programme for this week, provided they do not hold me too tightly to this. I will do my best to live up to this arrangement.

Tomorrow there will not be a night session, and if possible, if the House could adjourn about 5:30 I think it would help the gentlemen of the press.

Tomorrow, at 2:00 o'clock, there will be the unveiling of Mr. Hepburn's portrait. Mrs. Hepburn has very kindly consented to come and perform that. Now I think the method of operation will be for you, Mr. Speaker, after the prayers to adjourn the House at pleasure, which will enable the unveiling to be carried out and then carry on with the ordinary routine following that.

The first order of business will be the estimates of the Department of Agriculture. If there is any time, we might take in some of the bills on the order paper, or addresses if there is sufficient time. I endeavoured to get one of the hon. members on this afternoon but the time went by too quickly. If it is possible to work in an address by a member, then we will do it.

On Wednesday, there will be a night session. First the estimates of the Department of Highways and then the Department of Transport which will be run together and in the evening, bills and either budget or Throne debate. On Thursday, at 2:00 p.m., if it is agreeable with my hon. friends opposite, the conclusion of the Throne debate—the speeches in conclusion and the vote.

Now I say if that is not satisfactory, that date can be moved on and we can take up other business. Following that, the estimates of the Department of Lands and Forests and the Department of Planning and Development.

Friday morning at 10:30, the estimates of the Department of Travel and Publicity, followed by bills and debate.

I am very anxious that all of the orders on the order paper should be called including the public bills and orders and resolutions, and I have been endeavouring to work in

time for that. I would think as I intimated to my hon. friend earlier this afternoon, that this House would have to rise, whether it prorogued or not by a week from Thursday, otherwise some of the hon. members who live at great distances may be deprived of their vote on the 31st day of March.

I think that next week, of course, we would have night sessions on Monday, Tuesday and Wednesday, which ought to give every one the opportunity to speak on all of the issues and I think also give an opportunity for committee meetings.

Now I say that if the business of the House is not completed by the 27th of March, then of course we can meet the following week or wait until after Easter. That I think is the situation. I am very anxious not to curtail the opportunities of members to speak and I think by following this order we can get in a good amount of work in any event.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

This House stands adjourned until 2:00 of the clock, tomorrow afternoon.

The House was adjourned at 6:05 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Tuesday, March 18, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, MARCH 18, 1958

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Before we ask for the next order may I announce that the committee on game and fish will not meet tomorrow. The notices are on hon. members' desks, but disregard those notices—the committee will not meet.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. J. A. Maloney, from the standing committee on private bills, presents the committee's eighth and final report and moves its adoption.

Your committee begs to report the following bill with certain amendments:

Bill No. 42, An Act respecting the town of Eastview.

Motion agreed to.

Clerk of the House: Mr. J. A. McCue, from the standing committee on health, presents the committee's report and moves its adoption.

Your committee begs to report the following bill with certain amendments:

Bill No. 100, An Act to amend The Sanatoria for Consumptives Act.

Motion agreed to.

Clerk of the House: Mr. D. J. Rankin, from the standing committee on municipal law, presents the committee's second report and moves its adoption.

Your committee begs to report the following bill without amendment:

Bill No. 143, An Act to amend The Municipal Act.

Your committee also begs to report the following bill with certain amendments:

Bill No. 142, An Act to amend The Assessment Act.

Motion agreed to.

Clerk of the House: Mr. W. E. Johnston (Carleton), from the standing committee

on agriculture, presents the committee's second report and moves its adoption.

Your committee begs to report the following bills without amendment:

Bill No. 127, An Act to regulate the storage of farm produce in grain elevators.

Bill No. 146, The Veterinarians Act, 1958.

Your committee begs to report the following bills with certain amendments:

Bill No. 125, An Act to amend The Milk Industry Act, 1957.

Bill No. 126, An Act to amend The Farm Products Marketing Act.

Motion agreed to.

Mr. Speaker: Motions.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1. Twenty-fourth annual report of The Department of Municipal Affairs for the year ending December 31, 1957.

2. The 1956 statement of the returns under sections 235 and 241 of The Municipal Act.

Mr. Speaker: Introduction of bills.

THE ONTARIO WATER RESOURCES COMMISSION ACT, 1957

Hon. W. K. Warrender moves first reading of bill intituled, "An Act to amend The Ontario Water Resources Commission Act, 1957."

Motion agreed to; first reading of the bill.

He said: There are several amendments here which are not too significant, but there are two or three I should like to draw attention to. One is that by-laws are considered unduly formal for the transaction of the commission's business; it is, therefore, proposed that they may also do their business by resolution.

Another subsection makes it an offence for a person to contravene an order of the commission with respect to the collection, production, treatment and so on of water for public purposes.

The commission has broadened the supervision of all surface and ground waters used

as a source of water supply, and the examination of all surface and ground waters for pollution. An amendment also:

Provides for the control by the commission of water works undertaken without the required approval of the commission.

Requires that the commission be advised of the location of the waters into which it is proposed to discharge sewage when the approval of sewage works is stopped.

Provides for the prorating of payment by municipalities to the commission under agreements where there is more than one agreement in respect to the same project.

Regarding section 41 of the Act, this subsection is rewritten to extend the authority the municipality now has, to impose a rate to pay for sewage work and sewage service, to include water works and water service and to make the same formula apply to both.

THE PUBLIC HOSPITALS ACT, 1957

Hon. M. Phillips moves first reading of bill intituled, "An Act to amend The Public Hospitals Act, 1957."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, section 29 of The Public Hospitals Act, 1957, is being amended so that in case of indigent patients, where the municipality pays the hospital bill, or if the patient should die, the municipality also pays the funeral expenses.

The municipality could collect from any person liable in law, with respect to such dependent, or if the deceased had any estate, the municipality could collect either or both the hospital and the funeral expenses.

Proclamation of this bill will likely not be before January 1, 1959. We have deleted the part where they can collect the hospital bill, because the new hospital insurance plan will be in by that time, and after proclamation the municipality will be able to collect only funeral expenses and the hospital commission will pay the other expenses.

THE HOSPITAL SERVICES COMMISSION ACT, 1957

Hon. Mr. Phillips moves first reading of bill intituled, "An Act to amend The Hospital Services Commission Act, 1957."

Motion agreed to; first reading of the bill.

He said: I would like to ask permission of the House to give this first reading, and before next Tuesday, second reading, and at

9.30 a.m. next Tuesday morning, as the hon. Prime Minister (Mr. Frost) said yesterday, there will be no committee meetings, and therefore we have decided to meet in these chambers at 9.30 Tuesday morning next, and the hon. Prime Minister also promised the proceedings would be taken down by a secretary or *Hansard*, so we will use the same system as we use here in the House and everything will be reported. I hope the House will go along with our thinking.

I would like to say, Mr. Speaker, that at that time we will have the officials of the hospital commission here, along with their solicitors, to answer all questions.

THE TRENCH EXCAVATORS PROTECTION ACT, 1954

Hon. C. Daley moves first reading of bill intituled, "An Act to amend The Trench Excavators Protection Act, 1954."

Motion agreed to, first reading of the bill.

He said: This is a very short Act, and it endeavours to clarify the word "trench," re-defining it as to its intent.

In a recent case in court, a magistrate indicated that the language was not sufficiently clear for him to render his decision. There are two other sections which extend the exclusions from the Act and the duty of the owner or contractor to cause a trench to be inspected at least once a day.

THE REHABILITATION SERVICES ACT, 1955

Hon. L. P. Cecile moves first reading of bill intituled, "An Act to amend The Rehabilitation Services Act, 1955."

Motion agreed to, first reading of the bill.

He said: In this Act, as in the other Acts, concerning old age assistance, blind, and disabled, the administrative officers are re-defined to correspond with departmental practice.

THE CROWN ATTORNEYS ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to amend The Crown Attorneys Act."

Motion agreed to, first reading of the bill.

He said: This amendment extends the authority which already exists for responsi-

bility for payment of fees and allowances for Crown attorneys, in cases where there is a fine, to cases where imprisonment is the sentence without the option of a fine.

THE SUMMARY CONVICTIONS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Summary Convictions Act."

Motion agreed to, first reading of the bill.

He said: This bill extends the time for service of a summons under The Highway Traffic Act from 15 days to 21 days, and is considered advisable in view of the new procedure under The Highway Traffic Act for summoning the driver of the car.

Mr. Speaker: Before the orders of the day, I would like to welcome to the House this afternoon students from the York Memorial Collegiate Institute of this city.

Hon. M. Phillips (Minister of Health): Before the orders of the day, I would like to give answers to two questions which were asked of me yesterday, and one of which, at the time, I stated that I did not have the vital statistics with me and therefore could not give the answers.

I think the question was asked by the hon. member for Oxford (Mr. Innes), as to how many people per 100,000 died from heart trouble, cancer, and so on. I promised at that time to give to the House the figures for 5 or 6 of what we might call the worst killers.

These are the statistics from 1952 to 1956 which include all ages.

VITAL STATISTICS

	Annual specific death rate per 100,000 population
1952-1956 (all ages)	
Diseases of the heart	333
Cancer	138
Vascular lesions of the central nervous system, mostly cerebral haemorrhage or so-called strokes	117
Accidental causes	59
Pneumonia, bronchitis and influenza	38

Now the second thing, the hon. member for Kenora (Mr. Wren) was quite persistent regarding what graduates of schools in Ireland had to do in Canada regarding internship before they could practice. This covers all physicians from outside of Canada, that is, from approved schools in medicine only.

REQUIREMENTS OF PHYSICIANS FROM OUTSIDE OF CANADA TO PRACTICE IN CANADA

1. The United Kingdom including Northern Ireland, and United States, required to pass our Dominion Council examinations and pay the fees.

As regards the above, they must have graduated from an approved school of medicine, and have had at least one year's internship.

2. Southern Ireland, which does not belong to the United Kingdom, must, after April 12, 1958, have a two-year internship, the same as all foreign nations.

Before any physician can obtain a licence to practice medicine in Canada, he must have passed his basic scientific subjects, which are:

English, anatomy, physiology, biochemistry, pathology, bacteriology, and pharmacology, along with the other very necessary subjects, such as medicine, surgery, obstetrics, gynaecology, and so on.

I think that will clarify the matter but I may say to the hon. member this does not come along until April 12, but the council does not sit until June so the law might as well be announced.

Mr. D. C. MacDonald (York South): Mr. Chairman, I would like to make a small but rather important correction in the *Hansard* record. On page 670 of *Hansard* of last Monday, March 10, and again on page 696 of the *Hansard* of Tuesday, March 11, in reference to the price which was paid by Mr. R. K. Farris, for the shares he got in the private distribution of Northern Ontario Natural Gas, it was $\frac{4}{5}$ of a cent which is recorded in *Hansard* as \$0.08. Now when I went to school that would be 8 cents, not $\frac{4}{5}$ of a cent. I think it should be \$0.008. Since the verbal text reads $\frac{4}{5}$ of a cent, anyone who examined it carefully would be puzzled as to how we figure our mathematics here.

Hon. G. H. Dunbar (Provincial Secretary): Does the hon. member mean to say that it is not what he said there?

Mr. MacDonald: No, no, in *Hansard*.

Hon. Mr. Dunbar: Oh, I would put another "0" in for the hon. member.

Mr. Speaker: At the beginning of the session we had a few complaints about the *Hansard*, and I would just like to say now, as this is about the only opportunity I will have of saying it, that we have had fewer complaints regarding *Hansard* up to the date

of this session than at any time during the period that I have been Speaker, so that the new system is working out fairly satisfactorily.

THIRD READINGS

The following bills were given third reading, upon motions:

Bill No. 90, An Act to amend The Child Welfare Act, 1954.

Bill No. 104, An Act to amend The Mothers' and Dependent Children's Allowances Act, 1957.

Bill No. 105, An Act to amend The Indian Welfare Services Act, 1955.

Bill No. 108, An Act to amend The Public Parks Act.

Bill No. 109, The Provincial Parks Act, 1958.

Bill No. 112, An Act to amend The Sheriffs Act.

Bill No. 113, An Act to amend The Fire Departments Act.

Bill No. 116, An Act to amend The Judiciary Act.

Bill No. 119, An Act to amend The Public Utilities Act.

Bill No. 120, An Act to amend The Ontario Municipal Board Act.

Bill No. 121, An Act to amend The Local Improvement Act.

Bill No. 122, An Act to amend The Homes For The Aged Act, 1955.

Bill No. 136, The Time Act, 1958.

Mr. Speaker: Resolved that the bills do now pass and be intituled as in the motions.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, I move that you now leave the chair and the House resolve into committee of supply.

Hon. L. M. Fröst (Prime Minister): In seconding that motion may I say that this is the night of the press dinner, and on the completion of this estimate—that is, if there is any time left over—I suggest we deal with some matters on the order paper which are purely routine. I might say to the press that I will not deal with anything that might be termed newsworthy, so they will not have to stay in the news press gallery. There are a number of routine matters here for instance, in, say, private bills and things of that nature, which we might clear up and which would not necessitate them staying if we had a few minutes to clear up those items.

Motion agreed to; House in committee of supply.

ESTIMATES, DEPARTMENT OF AGRICULTURE

On vote 101:

Hon. W. A. Goodfellow (Minister of Agriculture): Mr. Chairman, in presenting the estimates of The Department of Agriculture to the House, perhaps I should elaborate for a short time on some of the activities of the department, and to point out to the hon. members that, for the most part, The Department of Agriculture, as I see it, is a service department, giving service to the farm people in the province of Ontario, in order that they might be able to do a better job for themselves.

I think that, as a farmer, I know farmers reasonably well, and I am always proud to belong to that profession if for no other reason than that farmers are perhaps the least demanding of government of any group in the community, in respect to handouts and assistance. Agriculture is going through changing times, and an evolution is taking place in agriculture which perhaps has not kept pace with the changes which have taken place in the industrial revolution in this province and in this Canada of ours in the past few years.

I have sufficient faith in the farm people of Ontario to believe that they will adjust themselves to these changes, and I say to the hon. members this afternoon that they are fast adjusting themselves, and I believe that agriculture is again on the road to a place where it will play its part as perhaps the most important basic industry of our province.

I think the hon. members will agree with me that, in this change taking place in our economy—with mechanization particularly—there will be fewer farmers in the years ahead, but these fewer farmers, through adopting modern methods, will be more efficient and produce more than the farmers we have at the present time. I think that, Mr. Chairman, is bound to be the case.

I see the farmer of tomorrow to be a successful farmer. He will need more and more qualifications in order to meet the changes which are taking place in our economy.

One of the most gratifying aspects of the work, which is being carried on by The Department of Agriculture, is the interest being shown and the leadership being given towards encouraging our young farm people to take an interest in agriculture, which is evident in the ever-increasing number of farm boys and girls who are participating in projects of the 4-H clubs.

When we consider the number of farmers we have in this province, in the neighbourhood of 140,000, last year nearly 23,000 farm boys and girls were engaged in 4-H club activities.

In addition to that there were the seniors, the young men and young women—I think that they would like to be called that—who were engaged in junior farmer activities. Nearly 7,000 young people were engaged in junior farmer activities.

In other words, nearly 30,000 young people in this province were in the club activities through 4-H club work and junior farmers last year.

It is also gratifying to note that the attendance at our colleges and agricultural schools is on the increase. I think possibly I might point out, to the hon. members, to give some idea of the numbers we have enrolled in the colleges and the schools which are conducted under the administration of The Department of Agriculture, that we have 146 enrolled in the so-called diploma courses in Guelph, at the Ontario Agricultural College this year. In the degree course we have this year 465.

This means that we have over 600 enrolled at the Ontario Agricultural College this year in the degree course and the diploma course.

I might say that in the first-year degree course this year, there are 146 enrolled, compared to 100 who are in the second-year course at the college at this time.

At the MacDonald Institute, the enrolment is quite static there, at just about 200 who are attending at the present time.

The Ontario Veterinary College is enrolled to its capacity. As a matter of fact, with the large administration and technical construction programme which will be completed this year at the Ontario Veterinary College, it is anticipated that the enrolment will be much larger next year. We have, in the 5-year course at the Veterinary College this year, 276 students.

Mr. H. C. Nixon (Brant): Does the hon. Minister know how many of those are from outside of Ontario?

Hon. Mr. Goodfellow: No, but I think I can get that for the hon. member for Brant. I think possibly, in the estimates, we deal with that item, and I would be very glad to get that information for the hon. member.

In the more practical field of agricultural education, at Kemptville we have this year enrolled 98 students, who are taking economics. I might say in the junior year at Kemptville, this year, there are 45, and in the

senior year 28, which shows a very marked increase and interest on the part of the farm people for the most of eastern Ontario in the work which is being carried on at the Kemptville Agricultural School.

At Ridgetown there is another school, which is doing a splendid job for agriculture in western Ontario, particularly southwestern Ontario where we have a more specialized type of crop production. In first year at Ridgetown, this year, there are 71, and in the second year there are 57, a total of 128, which shows a marked increase in the interest as evidenced by the enrolment there this year.

I think one thing we must recognize is that in the 4-H club and junior farmers' organization in the province, we have nearly 30,000, in addition to these young people who are enrolled in our colleges and our schools. So here we have the nucleus for the farm leaders of tomorrow. And they are going to be needed, with the more complicated type of agriculture with which they will be confronted, compared even to what farmers are confronted with in the province at the present time. These things are very gratifying indeed.

Mr. Chairman, it will not be possible for me to go into the many activities of The Department of Agriculture which are spread across this province of Ontario, but I would like to dwell for a few minutes briefly on several of what I consider important factors in agriculture, and I refer to research, extension, management, production, quality, and marketing.

Since I spoke at some length earlier in the Throne debate on marketing, it is not my intention to discuss that matter further this afternoon.

I would like to say, though, that research is absolutely essential in modern-day agriculture. I believe we have, in the Ontario Agricultural College and the Ontario Veterinary College, facilities which are second to none in any jurisdiction, and we are indeed lucky, so far as our industry is concerned, that we have these institutions which are doing an outstanding job and are training the research specialists of the future.

I might say that recognizing the importance of research in agriculture—and I want to give due credit to my predecessor, the late "Tommy" Thomas, and also to the hon. member for Peel (Mr. Kennedy) in their foresight in bringing to the attention of the government the importance of enlarging and expanding the services at these institutions—that a very comprehensive building programme is taking place at the Ontario Agricultural College, at the Veterinary College, and at Mac-

Donald Institute. The new soils building alone, which will soon be opened at Guelph, will be able to handle 100,000 soil samples a year, to assist the farmers of this province in analyzing the soil, so that they will be better able to govern their planting of the proper types of crops and also the feeding of the soil as will be indicated in the surveys.

Research is indeed very important. We have at the Ontario Agricultural College a very comprehensive research programme. I might say at the present time there are over 250 research projects under way.

We are at the present conducting in Guelph a soil survey which will cover the entire province of Ontario. Up to the present time, the soil surveys have been completed in 11 counties in the province, and it is the intention of the department and the college to carry that work forward, so that we will have the very necessary soil survey wherever agriculture is conducted in the province of Ontario.

I might say that research is tied in very closely with extension. We must have those who are engaged in research, but research by itself is of little use unless we have the extension services to carry that work from the laboratory to the farmer in the practical application.

I think possibly, as a department, we are as fortunate as any department, inasmuch as we are able to enlist into our department graduates from the colleges at Guelph who become the extension people to carry on and assist the farmers in this province, and to carry the laboratory work at Guelph into the practical application on the farm.

For the most part our extension men, before they attended the college, came from the farm. They had a background of practical experience which, with the training which they received at Guelph puts them in a position where they are able to render a great service.

They understand the farmers' problems and they try to assist wherever possible, without trying to give the farmers the idea or the impression that they are trying to force anything on them, rather they are just there to assist.

We have at the present time, in the province, 54 agricultural representatives, 13 associates, and 17 assistants. We have 42 extension workers in the home economics branch of the department, we have 15 agricultural engineers who are assisting the farmers with farm building, drainage, and what-have-you.

We have 11 fruit and vegetable field men who are specialists in their own particular line.

I might say to the hon. members that it is our intention, believing and knowing as we do the importance of having an adequate staff to assist the farmers, and assist agriculture in this province, to increase the number of these extension workers, as required, across the province of Ontario. I believe it is money well spent, and that it will work in the future interests of the agricultural economy of the province.

I just want to point out that we are asked very often what we consider to be the most important factor in farming. I do not think there is any particular factor more important than any other. There is no doubt that research and extension are basic, but production is also very important. We have many programmes which are carried on to assist the farmers in increasing production in their own particular line of farming.

I might refer to one, dairy herd improvement, which is carried on across this province. This has been found possible, from 1950 to 1956, in spite of the fact that Ontario's dairy cattle population decreased by 225,000, to increase the actual production of milk in the province of Ontario by 400,000 pounds.

I think that, Mr. Chairman, is important, and can be attributed to better feeding, better breeding and culling in respect to the live-stock industry insofar as dairying is concerned. I think among the most important projects which have been under way in this province to increase production, to get more efficient production, are the dairy herd improvement plan and the artificial insemination work which has been carried on and which actually is comparatively new in the province of Ontario.

Some of the hon. members might remember when the first artificial insemination Act was introduced in this House, in the session of 1947. Last year, 1957, there was a total cow and heifer population in this province of approximately 1.3 million, and out of that number 356,000 were bred artificially, which represents approximately 27 per cent. of the total female herd population in the province.

We have figures, compiled by the economics branch of the department, of the improvements which have been noted under The Dairy Herd Improvement Act. I would like to point out that, in the survey, which gave comparisons in the county of Halton from 1951 until 1956-1957, taking the same 41 herds which originally came in under the

improvement plan, the total returns per herd in 1951-1952 amounted to \$7,644; and in 1956-1957, \$9,626.

I might say the most of that not only can be attributed to increased production due to culling, from the information which they deducted from the test, but also to better feeding methods, and making a very close check on the feed that was consumed per cow in comparison to the production per cow.

Quality is equally essential. Production in itself is of little value because what the consumer is most interested in is the quality of the product. I think we farm people must persistently try to improve the quality of the farm products which we offer to the consuming public. I think it is just as essential, perhaps more essential, than production itself, to always work to improve our livestock that we are marketing, our dairy products, poultry products, fruits, vegetables, and so on.

Although our various Acts control grading and quality, and although we are making steps toward improvement, I do feel that we have a long way to go, and it is something that we cannot force farmers to do overnight. I think it is more a matter of education than it is of establishing rigid rules and regulations in connection with grades and quality. Although it is essential that we have controls, I think we at all times should try to point out to the farmers the importance of marketing a good quality product.

Possibly one of the things we have given only secondary consideration to, as farmers, is farm management. I have been convinced for a great many years—and I only go back to my own experience in farming—that farm management is very important.

Personally, I am one who was never over-possessed with ambition. I always tried to figure ways and means to let somebody else do the work, and do as much figuring as I could myself. I found, from the time I first started farming, that the set of books I established was the most profitable operation I had. I am convinced that the importance of good farm management is something we must put across to the farm people in Ontario.

We are striving to do that. I want to pay tribute to the agricultural representative in Bruce county (Mr. Gear), who has taken a great interest in this particular factor in agriculture. He has developed a farm management course up there, and I might say he has been in the office and discussed this with myself and the officials, and it is something that we are going to try to extend across the province, through our extension services, to

try to put across to the farm people the importance of better farm management.

I care not how long a man works or how hard he works, if he does not work to good advantage, he cannot succeed. I have never seen one yet, who has not put his time and his effort to good advantage, who has been too successful. This is something we do intend to promote, because I think it is most important to the future of agriculture, particularly in this day and age in which we live, with the investment which a farmer has in his stock and the equipment on his farm. He must pay more attention to his set of books in the years ahead.

It is interesting to note, though, that the demand on the department of economics at Guelph and our own department, for the farm accounting book to the farmers in this province, has passed the 10,000 mark per year. At least, we know there are at least 10,000 farmers who are keeping account of their farming operation, and I have reason to believe that a great many others are keeping books of one sort or another on their own.

I would like to say a few words about a few of the so-called facets attached to The Department of Agriculture. I want to pay tribute to the hon. member for Peel, who perhaps is primarily responsible for the building and developing of the Ontario food terminal in west Toronto. I must say I have been out there on several occasions, and from the many reports that we receive, it has meant a great deal to the orderly marketing of fruits and vegetables in the province of Ontario.

It is being very well operated as the hon. members are aware. It is a proposition that will soon pay for itself, and we always like to have those types of operations in government where a project will take care of itself eventually. The board is doing a good job, and it is certainly worth the time of any hon. member to go out there, especially in the summer time, in the early morning around 4.30 to 5 o'clock, and see the operation at the Ontario food terminal in west Toronto.

We derive a great deal of satisfaction from the operation of the Ontario stock yards. I believe in Fred Campbell we have an outstanding manager with a competent board. He is doing a good job on behalf of the farmers of Ontario, those who avail themselves of the marketing facilities at the Ontario stock yards.

Those yards belong to the farmers, and I might say that, in spite of a great deal of pressure which is brought to bear by many elements who have something to do with the

stock yards, I believe that those stock yards primarily belong to the farmers. It is a place where they can market their livestock to better advantage, and I think the farmers are quite competent to run the Ontario stock yards.

I might mention the Ontario telephone authority. The hon. leader of the Opposition (Mr. Oliver) brought up the matter when we were discussing amendments to The Telephone Act. The Ontario telephone authority, as the hon. members of this House who were here in 1953 will remember at the time the new Telephone Act was brought down, was set up to assist telephone companies. I believe on the whole, the authority has been of assistance to the independent telephone companies in the province.

In 1954 they were operating in the province of Ontario, at least they were supposed to be operating, some 465 independent telephone systems representing some 176,000 telephones.

From 1954 to 1957 the number of systems has been reduced by amalgamations and mergers, and some have closed out and have been taken over by other systems because they simply could not continue to operate on their own any longer. Instead of the 465 systems in 1954 there are only 347 systems at the present time.

I think the authority can take a great deal of credit for assisting these small independent telephone companies to get together and amalgamate in their own interests, in order to have a more efficient operation. I might say the remaining 347 independent telephone systems in the province, which is more than 100 less than there was 4 years ago, are handling approximately the same number of telephones as there were when there was over 100 more systems. That is due to the expansion that has taken place, and more people are availing themselves of the services offered by the independent companies.

The telephone authority was established to serve these small independent systems in the province. It is a service the government provides for them, and I must say that I get many favourable reports from the work which is accomplished by the staff of the telephone authority, in connection with engineering and assisting them in laying out lines and improving their existing switchboards, and also giving them advice in connection with financing extensions and financing their operations.

Mr. Nixon: Could the hon. Minister tell us how many of the independents have been taken over by the Bell Telephone Company?

Hon. Mr. Goodfellow: Yes, I have that here. During the years 1954 to 1957, 104 independent systems have merged or ceased to operate. Negotiation for the sale of several more have been completed. Of the 104 systems sold, merged and so on, 65 systems have been taken over by the Bell Telephone Company; 39 independent systems have been merged or sold to other independent systems.

I think that is a trend of the times. Perhaps we should have had a telephone authority many years ago, perhaps 40 or 50 years ago, before the Bell Telephone Company became so well established in the province of Ontario.

The independents find it most difficult to compete with the Bell Telephone Company because apparently the most remunerative phase of telephone work is the long distance tolls that they collect.

The hon. member for Lambton East (Mr. Janes) is much more conversant with this than I am. As a matter of fact, I often consult him on matters which arise in connection with telephone affairs, because he has long been connected with an independent telephone company and is quite an authority on them. He has been of great assistance. His advice is very much appreciated.

I might say, in connection with the Junior Farmer Establishment Loan Corporation, which was established by an Act of this Legislature in 1952, that I believe it has served a very useful purpose in assisting young farmers to get established in the province. It was established to assist young men between the ages of 21 and 35, who have had 3 years' experience in farming, and who intend to pursue agriculture on a full-time basis.

I might say up until February 18, 1958, there have been some 2,634 loans granted, which involved an outlay of over \$18 million. It is very gratifying to know that, in spite of the fact we hear so much about agriculture not being prosperous today, almost all of these young men have been able to meet their payments on time.

The fact there are only a few, I believe, who have not, is due to the fact that the board has screened them very carefully. I might say though, I gathered the hon. leader of the Opposition seems to approve the fact that they have been screened very closely.

In the initial stage, in the first year of operation, I find that over 50 per cent. of the applications were refused. I find that in 1954, for instance, approximately 45 per cent. were refused. I find in 1954 only 32 per cent. were refused. I find that last year only 31 per cent. were refused.

Last year I might say was the largest year in respect to applications, and also in respect to the amount of loans that were made, which amounted to over \$4 million.

I do believe though that the board has to screen these applications very carefully. Personally, I have, just for my own information and satisfaction, gone over many of these applications myself, and I would say for the most part, those which have been refused by the farm loan board are not ones that I or hon. members of this House would make loans to from their own private bank account. I think we are not doing a service to the young farmer when we encourage him to get himself in debt by granting him a loan, unless we are pretty sure that he intends to devote his life to agriculture, and that he has sufficient stock and equipment to get started.

One thing that does please me is the fact that the federal government seems to be showing more interest, from what one would gather, in the federal farm loans, because I believe that farm credit is a field which should be taken care of by the federal government—that is, farm loans and credit to farmers, not for one province, but for Canada as a whole.

Now, Mr. Chairman, I am not going to discuss contract farming this afternoon. I do not know anything about contract farming, although I will say this to hon. members of the House, that we are arranging to make our agricultural representatives conversant with contract farming agreements across the province of Ontario.

I remember many years ago that I signed a contract to produce canning crops, and after growing them for two years I did not do too well. The third year, I took a good look at the canning crop agreement which I was about to sign, and after seeing all the small print on it, I decided that I would grow no more canning crops until that particular type of agreement was in larger type, and a little more beneficial to the farmer himself.

I think possibly that our agricultural representatives can be of assistance to farmers if they wish to consult them, as our representatives become conversant with the various agreements concerned in contract farming.

I imagine contract farming is here to stay to some extent. I remember that, when I was trying to get established on the farm, many times I had a drover who supplied me with pigs at weaning time, and I remember a few years ago when I found it very helpful to be able to go to a feed store and get credit for feed.

I do not see too much difference between some of the so-called contract farming agreements we have at the present time and the type of operations some of us carried on years ago when we were trying to get established on the farm.

I believe that the co-operatives are doing a great job in this province in assisting farmers to purchase feeds and supplies, and there is a possibility that co-operatives themselves may get into contract farming to some extent. But I still feel that farmers are individualists, and that unless circumstances demand, they are going to operate on their own, and finance their own operations, and will keep as far removed from contract farming as possible if for nothing else than to preserve their independence.

There are hon. members in this House who are doing contract farming, and they tell me they have more of a sense of security than they did when they were strictly on their own. So this is a subject open to argument and controversy, and I am not well enough versed in it to be able to expound whether or not it is a good thing. But hon. members have only to read some of the United States farm periodicals to realize that it is getting a hold in the United States to such an extent that, in some of the poor southeastern agricultural states, contract farming is going over in a big way. In fact, some of the more prosperous mid-western agricultural states are wondering if they are not going to have to adopt contract farming in order to keep pace with this increasing production in the poorer agricultural states along the Atlantic seaboard.

As I said, Mr. Chairman, I do not intend to discuss marketing at this point. It is important, but in my opinion no more important than some of the other matters which I have mentioned in connection with agriculture in this province, namely research, extensions, farm management production, and quality.

In some of the matters which I mentioned in my remarks to the House last year, in bringing down the estimates of this department, I was a bit critical of the federal government. I assure the hon. members it was not for political purposes.

Mr. R. Whicher (Bruce): Is the hon. Minister still critical of them?

Mr. J. J. Wintermeyer (Waterloo North): Of everybody but the farmers.

Hon. Mr. Goodfellow: There was a motion before this House that we should set up a

price spread committee of inquiry. At that time, I expressed the view that I felt, in order to be effective, the only price spread inquiry that could be carried on to any effect would need to be Canada-wide.

I am pleased that the government that was elected last June 10 has shared those views, and has seen fit to set up such a committee to inquire into the spread between what the farmers receives and what the consumer pays, because there is a spread there. One thing at least that it will accomplish will be to point out to the average consumer that the farmers are not getting as much as these consumers thought they were getting by the price they had to pay at the supermarkets.

Another matter which I mentioned last year was the need for realistic floor prices. I notice that has also been taken care of.

Mr. Whicher: An awfully low floor.

Hon. Mr. Goodfellow: I must say that I have had some very favourable comments from some of the farm organizations in this province at the realistic way in which the federal government is trying through legislation to assist the farmer through realistic floor prices.

I might say at the present time the cheese producers of this province are negotiating with the federal government in connection with securing deficiency payment on Ontario cheese.

The hon. member for Stormont (Mr. Manley), last week, while speaking to the House, pointed out that he felt the province of Ontario should continue to make bank guarantees on Ontario cheese. I feel the bank guarantees we have made down through the years have been very beneficial, not only to the cheese industry but to the dairy industry as a whole.

As I pointed out to the cheese producers last September, it had reached a point where unfortunately we were not only subsidizing the cheese producers in the province of Ontario, we were also subsidizing the cheese producers of the province of Quebec. It is not that we do not like to be big hearted people up here, but it seems to me that any programme in connection with any commodity, which is produced in more than one province, should be supported by the federal government.

As a matter of fact, the cheese producers of the province of Quebec last year were able to market all their cheese at approximately the same price as the producers were receiving in the province of Ontario, because the

cheese producers in the province of Ontario have a 1 cent per pound levy, something that the cheese producers do not have to pay in Quebec.

The result was that the processors picked up all the cheese that was manufactured in Quebec, and at the present time we have some 15 million or 16 million pounds of good Ontario cheddar cheese stored, and which the government of this province is not worrying about because it is good cheese. But we have a bank guarantee of approximately \$1.8 million at the present time.

I am very pleased to learn that the federal government is trying to negotiate with the cheese producers on a deficiency payment plan, whereby they would be able to support the cheese industry in the province of Ontario.

I also mentioned last year that I felt that something definitely had to be done to protect the primary producers in Canada.

There was dumping going on. We had a country south of us that was in some type of an agricultural programme where they had one price for the goods consumed in the United States and a fire sale price for surplus which was exported to other countries. Our farmers suffered in this country due to that programme and it is indeed gratifying, having the interest of agriculture at heart, to find that this present federal government is taking very definite steps to try to curtail this dumping of farm products, especially those which are in season in our own markets, to protect our own producers at this particular time.

With these remarks, we will proceed with the estimates, and I always feel that possibly we get more information—and it is more interesting—in discussing the estimates item by item than by any cut-and-dried speech that the Minister might try to make.

Mr. F. R. Oliver (Leader of the Opposition): Before we proceed to an analysis of the estimates themselves, I might be pardoned if I make a few comments on the remarks of the hon. Minister.

We are, in a measure at least, disarmed by the hon. Minister's attitude and his record in this Legislature. I have, as all hon. members have, a very high regard for his administrative ability—which may not go so far as to include forward ideas—but so far as his administrative ability is concerned, we are all at one in recognizing it and commending it.

The hon. Minister has gone over the record of The Department of Agriculture for the last year, and in respect to some matters for the future, he has pointed out, in the course

of his remarks, two things that I want to talk about for a moment or two.

He said in the first place that he considers that The Department of Agriculture is a service department. Now on that point, I would say that I believe that The Department of Agriculture, if it would serve the needs of this basic industry, must be more than a service department. It must also be a department that is prepared to give leadership to the farm people of this province in this critical time through which they are passing.

The estimates themselves reveal that we will be spending, in this department this year, something less than 2 per cent. of the total expenditure in the province.

Now agriculture has indeed slipped to a very low place in the economy, and in the opinion of the government, when we recognize that less than 2 per cent. of the total expenditure is devoted to the basic industry of agriculture, and if we look at the estimates for this year's operation, we will find that there have been very nominal increases in the amount of money to be devoted to this department, and that most of these increases are related to the agricultural colleges. I think a perusal of the estimates will reveal that.

It seems to me that we must recognize, as the hon. Minister has said, that there is an evolution taking place. So far as agriculture is concerned, we are living in changing times, and I want to make this flat statement out of the depth of my conviction, in relation to this matter, that many of the techniques employed presently by The Department of Agriculture belong to the horse-and-buggy days. They have not kept and are not keeping, and give no indication that they will keep, pace with the need that exists for an expanded programme and for a leadership programme that will meet the challenging times that we are passing through, so far as agriculture is concerned.

We will be voting in a few minutes the money to run the farm economics branch. This, I would say, would be the branch within the department that would have to do with analyzing the situation in Ontario, and with pointing the way, in a very realistic manner, to the farm people of the province.

Well I do not know what they found out in the economics branch, but I know this, that whatever they found out they kept pretty well to themselves. They have not disseminated the information gathered for the good of the farm people of this province. A branch of economics that lives within itself, no matter how good or how far-reaching the results

of their examination may be, is practically useless unless its findings are transmitted to the farm people of this province. In respect to this branch, I would say that although it may be touching some of the farm people, by and large it is not touching the great cross-section of the farm people in Ontario.

My hon. friend has just talked about contract farming, and we have the danger of co-operative farming that I talked about a few days ago. Now the hon. Minister has said that contract farming is coming, so far as this province is concerned, and by intimation at least he has said that the farmer may as well get ready for contract farming because it is on the road.

But the hon. Minister, in almost the same breath, said to the House this afternoon that he is not sure of the merits of contract farming. He is not sure whether it is a good thing or a bad thing. Now that points up and illustrates, Mr. Chairman, in a very realistic way, what I am saying to the House this afternoon. The farmers are concerned about the inroads of contract farming, they want to know from somebody in authority what they have found out as to the assets or the liabilities of contract farming, and the hon. Minister, the head of the department, was quite frank in saying that he is not persuaded himself as to whether contract farming is a good thing or a bad thing.

When I was home over the week end, I read in the local press where the VLA conducted open meetings in my particular riding, telling the farmers the merits and the demerits of contract farming. The speakers told the farmers there what was good about contract farming and what was bad about it, so that the farmers could have some leadership and could have some direction so far as this new venture is concerned.

Now contract farming, of course, is not a new thing. Many hon. farmer members in the House have had contracts over the past number of years. But what is happening now is, as the hon. Minister quite well knows, that it is moving into the hog and the cattle areas where it has not been a factor in years gone by.

And I would think, Mr. Chairman, that a Department of Agriculture worthy of the name would be able by now to tell the farmers of this province, in public meetings, whether or not, in their judgment, contract farming is a good or a bad thing. I would think that is part of the duty and the obligation of a Department of Agriculture.

Then last fall, or some time, the hon. Minister of Agriculture flew his famous kite.

I did not speak on this particular point before, but I want to say here and now that this was a dangerous thing for the hon. Minister of Agriculture of this province to do.

It came at a time, Mr. Chairman, when farmers were upset to a degree about the farm marketing legislation in general, and here we had the hon. Minister of Agriculture intimating rather strongly that he was getting around to the place where he was going to throw the management of these farm marketing schemes back to the farmers, and allow the farmers to operate them.

I would say that the dissatisfaction and the unrest that was prevalent among farmers, in respect to farm marketing schemes, was heightened and deepened by the hon. Minister's words on that occasion, and the intimation that he gave quite clearly that he was thinking seriously about throwing this whole thing back to farm organizations. Now I want to say in a general way, that in my judgment, for what it is worth, and hon. members on the other side will say it is not worth much—

Hon. L. M. Frost (Prime Minister): May I say to the hon. leader of the Opposition that the hon. Minister of Agriculture did not say anything about—

Mr. Oliver: Oh, I know exactly what the hon. Minister said. It was carried very thoroughly, and if there ever was a political kite, that was one, and the hon. Prime Minister has flown a few of them in his day, and ought to know the qualities that are contained therein. It was a political kite of the first water, no question about that.

Mr. J. A. Maloney (Renfrew South): Well, it flew well anyway.

Mr. Oliver: Now, the hon. member for Renfrew South would not be able to fly any farther than I can today, and that would not be very far.

So far as the general picture is concerned, I just want to say this, and to say it emphatically, that I believe that The Department of Agriculture, as far as their service department is concerned, has moved in the right direction—not far enough, mind you—but in the right direction.

But so far as their leadership branch is concerned, it has been woefully weak, and if the farm people of this province are to be given any leadership, the time for that leadership is now. Up until this time, if there is one great criticism of The Department of Agriculture, it is that they have drifted and

allowed things to take their natural course, they maintained the *status quo*, and they have just sat back and allowed things to take their course and allowed things to happen.

Now, in the critical stage through which agriculture is passing, that is not good enough, and that is my basic criticism of the department and consequently of the estimates that are before the House now.

Mr. D. C. MacDonald (York South): Mr. Chairman, there are quite a number of things here that I would like to talk about this afternoon, but I am going to leave them and concentrate on one, and that is the issue that the hon. Minister has touched upon in various of its facets, the basic problem of farm income.

Last year, he used as an excuse for not looking into that aspect of the problem of farm income, involved in price spreads, that this was more of a federal matter. Since a very large percentage of the farm produce in Ontario is marketed right in Ontario, I submit that it could have been tackled here.

However, during the last year across the province, and again in his estimates today, he has spoken a number of times about the fact that industry in Canada in the past has received a degree of protection through tariffs. Conceivably, that group in our economy that now requires protection is the agricultural group. He said such in Timmins, in talking about the problem of a two-price structure, and the difficulties of Canadian farmers in coping with American dumping of surpluses.

I think the hon. Minister has spoken of it in relation to the problem, or perhaps the necessity, of subsidizing Canadian farm produce, in the same way that industrial products have been subsidized indirectly by the consumer through tariffs.

But when he expresses satisfaction with what has been done by the federal government in meeting this basic problem of farm income, I think this is something which we should take a look at for a moment. Admittedly it is for the most part in the federal jurisdiction, but it touches the agricultural community very directly and is something in which the hon. Minister is extremely interested.

Now, the basic point I would like to make at the outset, Mr. Chairman, is this:

Farmers have been claiming for years that their position in the economy is out of parity with the rest of the economy, that their costs have been going up, that their income has been coming down, and there-

fore that agriculture is not in a fair cost-price relationship with regard to the rest of the economy. It is caught in this cost-price squeeze.

If agriculture ever achieved a fair cost-price relationship within the last generation or so, I submit they achieved it about the year 1950, after years of planning during the war and the post-war period, planning which resulted in agricultural prices building up to a point where conceivably—I am not convinced, but conceivably—it could be said that they had achieved something of a position of parity.

The interesting thing is that, if we take a look at the statistics that became available because of the census in 1951, we find that even when agriculture had achieved a degree of parity—assuming that they did at that time—agricultural communities were still in a very unfavourable position with regard to many other sectors of the economy, and our society, in terms of modern amenities of life.

If we examine the statistics which became available from the census in 1951, we find that the percentage of farm homes without bathtubs, without inside toilets, without many of the other amenities of life, was much larger than that of the rest of the community.

In other words, even when they had parity, there is a very strong case that they had not had it long enough to be able to win a position of equality in the Canadian economy.

Hon. Mr. Goodfellow: They improved greatly though.

Mr. MacDonald: They improved greatly, all right. Now since 1951, what has happened? Agricultural income has dropped down to about 75 per cent. or 80 per cent. of what it was in 1950 or 1951. In 1956 and 1957, it was roughly 75 per cent., and perhaps I am putting the figure too high, roughly 70 per cent. or 80 per cent. of what it had been been at that peak period.

Mr. Nixon: Canada-wide?

Mr. MacDonald: Canada-wide. In the province of Ontario, I do not know what the exact figure would be. Now what is achieved by this new legislation down at Ottawa that the hon. Minister is so proud of? In the first instance, it establishes a base period. The government, to begin with, was going to make this base period the last 3 years, and after a great deal of pressuring they extended the basis to the last 10 years.

I submit to you, Mr. Chairman, the net result of that is that this agricultural stabilization bill of the Tories is in effect stabilizing agriculture at the depressed level to which it has slipped in the last few years.

Admittedly, in putting it on a 10-year basis, they may have improved it a bit over the 3-year basis, but I draw to the attention of hon. members that if we take the last 10 years, 7 of those 10 years were a period of declining prices.

Hon. Mr. Goodfellow: That is what the farmers asked for—10 years.

Mr. MacDonald: I am not certain that the farmers really wanted 10, but 10 is certainly an improvement over 3.

Hon. Mr. Goodfellow: They objected to 3 years.

Mr. MacDonald: Having established a base price, which was in fact stabilizing agriculture at this depressed level, then they proceed to what they call a guarantee price, which is 80 per cent. of this depressed price level. Since the base price is itself one of 1950 or 1951, and 80 per cent. of the 75 per cent. or 80 per cent. figure to which it has slipped, this actually means that agriculture today is going to have a guarantee price of something like 60 per cent. to 64 per cent. of what it was getting in 1950 or 1951 when conceivably the farming industry had a parity in the economy.

How anybody can argue that, when the farmer is getting 60 per cent. to 64 per cent. of the income figure for the peak period of 1950-1951, this is providing a relief—this is rescuing agriculture from the depression in which it has slipped—is beyond my comprehension.

But the interesting thing is that even this was achieved only by the Opposition at Ottawa—and I am proud of the fact that, in most instances, it was the CCF Opposition—forcing upon the government amendment after amendment.

As a matter of fact, the government's legislation ended up with 9 amendments, so that any resemblance between the final bill and the one they originally introduced was purely coincidental.

If it does do anything for the farmers, it is going to do it because of the pounding of the Opposition and the resulting changes.

But the final amendment which was made by the government—and this shows just how inadequate the Act had been to begin with—is that, in addition to the base price of 10 years—the guaranteed price of 80 per cent. of

that base—they then came up with a prescribed price.

In other words, with the named products, some 9 or 10 products that are named in the bill, in the first 3 months of the year they will take a look at the cost of production, and they will prescribe a price which may be 110 per cent. of the guaranteed price and it may be 80 per cent. of the guaranteed price, in other words it may—

Hon. Mr. Goodfellow: It could be 100 per cent.

Mr. MacDonald: It could be 100 per cent. It may take into account something of the cost of production. But this is not what the Conservatives wanted in the bill in the first place. This was what was forced upon them by the Opposition.

I am glad, Mr. Chairman, that the hon. member for York East (Mr. Beckett) is going out, he is not interested in it anyway. When he goes out perhaps he should not grunt before he leaves.

Mr. Chairman, what I want to draw your attention to is this, that I listened to the Parliamentary assistant to the hon. Minister of Finance speaking to the Ontario agricultural council. He stated the farmers' union is very happy with this bill. Now the Liberal Opposition, as well as ourselves, have had an opportunity to speak to the farmers' union or to be visited by delegates from the farmers' union—

Mr. H. E. Beckett (York East): Mr. Chairman, just a minute.

Mr. MacDonald: A question of privilege?

Mr. Beckett: Yes, I would like a retraction here. When I get a telephone call I have to go out and answer it. I would like to know what the hon. member for York South is saying, Mr. Chairman.

Mr. MacDonald: I heard the hon. member groaning about what I was saying, as I hear it sometimes—

Mr. Beckett: I was not groaning at all. No, no.

Mr. MacDonald: If I have hurt the hon. member's sensitivities, I am sorry. He may go to his phone call, I will give him 50 apologies, it makes no difference whether he is here or not.

Mr. Beckett: Well, I think, Mr. Chairman, that such a statement is uncalled for by an hon. member of this House.

An hon. member: He knows as little about agriculture as the hon. member for York East does.

Mr. MacDonald: Is that right? I would like to see him milking a cow.

Mr. Beckett: Mr. Chairman, just a minute. Here the jack-of-all-trades, master of none, stands up and talks on everything, he knows it all, and he stands up and he knows everything about everything, law and farming, and everything else, and I have milked many a cow if he is talking about milking cows.

Mr. MacDonald: Is the hon. member finished?

Hon. Mr. Frost: I point out that there is great cause for rejoicing over here. This bill, these floor prices and so on, were talked of for years, but they did not become a fact until we got a Tory government, and then they became a fact.

Mr. MacDonald: Are the farmers happy about it? All I am drawing to the attention of the House is that the bill, as brought in by the Conservative government, bears no resemblance to the final one which had to be amended 9 times to get within reaching distance of doing something for the farmers.

And the final point that I wanted to make—if I can get back to it now, Mr. Chairman—is this: that the hon. Minister suggested that the agricultural organizations in Canada are happy with this bill. He did exactly the same thing as Dick Bell, Parliamentary assistant to the hon. Minister of Finance, did in the Ontario agricultural council, when he said that the farmers' union is content and happy with the bill.

Now I was rather surprised by this, so when the farmers' union delegation visited our caucus, I asked them about this, and one could have seen the steam rising from under their collars at the proposition that they should be credited with being happy with this.

I will tell what happened, Mr. Chairman. Many of the farmers' union representatives from across the country converged on Ottawa to do a bit of lobbying to get changes, and they were wooed and dined personally by Rt. hon. John Diefenbaker down at his home. They were led to believe that there were going to be amendments in the Act which would bring in something to tie this whole price structure to the cost of production in a real fashion.

They were just a little hasty, as they now conceded, in issuing a press release to the effect that they were going to get this,

because they never got it. I can assure hon. members they are not happy with it and the hon. Minister is misrepresenting the views of farm organization to a degree, but not as much as Mr. Bell did.

I have just overheard someone say that the president of the farmers' union said last week that the Tory bill is no good at all. I think that is a fairly good description of this great charter that the Tories have provided for the farmers.

Hon. Mr. Goodfellow: Well, the past president was on the Treasury board.

Mr. Whicher: No money in their pocket anyway.

Hon. Mr. Frost: I would say that all this was discussed down in Elgin, and look what happened.

Hon. Mr. Dunbar: They did more than groan down there.

Vote 101 agreed to.

On vote 102:

Mr. W. E. Johnston (Carleton): It is rather interesting to listen to this chatter about this farm bill. The hon. member for York South is somewhat concerned about the bill being amended and amended and amended, I believe he said, 9 times.

I would just like to remind him that we happen to have a government in Ottawa which is not so arrogant that it will not listen to suggestions. If he gets any credit out of suggesting that the CCF made a great contribution to the amending of the bill, all well and good. I do not think that they did. The other day the Social Credit people told me that they should have all the credit. Now what are we supposed to believe?

I do not mind telling the hon. member that I sat in the House of Commons for two afternoons and listened to the debate on this bill, and it was simply a lot of nonsense. Certainly the Conservative party did a lot to—

Mr. MacDonald: Is the hon. member saying that the farm organization programme is nonsense?

Mr. Johnston: The farm organizations certainly took a look at this and worked with the committee. The hon. member did not remind this House that this bill is going to be examined quite frequently by a group of farmers—he did not tell the House that—members of farm groups, members of farm organizations and some farmers themselves.

Now this bill cannot be perfect from the start, we all know that. We all know that progress must come slowly. We all know that a bill like this will take years to perfect. It is a hard job to do.

Mr. Whicher: One hundred years.

Mr. Johnston: The point we want to make, and the point we want to understand, is this, that we have a government now which took the job on, and they have at least made a start, which has never been done before. All this bickering that goes on by the Opposition is only happening because it is hard to take.

Mr. Whicher: How much money did they put in the farmer's pocket?

Hon. Mr. Frost: Twenty-two years of doing nothing on the part of the Liberals.

Mr. Johnston: I would like to go a little further. This farm products marketing bill is one that has been pointed out by the hon. Minister. It carries the building of a bill that will supply security for farmers at 80 per cent. minimum. That will be mandatory.

Mr. MacDonald: Eighty per cent. of 80 per cent.

Mr. Johnston: Eighty per cent. of the 10-year average. What happens then? Does the hon. member not, at least, give this group of men—farmers themselves—credit for sitting in with the cabinet and establishing a price each year 12 months ahead of time?

Mr. Whicher: How much did they put the price of beans up?

Mr. Johnston: Now the hon. member for York South just a year ago made this statement in the House. He advocated forward pricing. Now, is he objecting to that? That is in the bill.

Mr. MacDonald: There is a degree of principle there.

Mr. Johnston: How much has the price of milk gone up?

Mr. MacDonald: The Liberals talked about health insurance for 38 years, and they never got around to—

Mr. Johnston: Well, I am not talking about health insurance now.

Mr. MacDonald: Paying lip service to the principle.

Mr. Johnston: I want to go on if I may, my hon. friends, and say this. The hon.

Minister has raised a good many points here today that I think we should give him and his senior executive credit for including the extension work in dairy herd improvement plan and artificial insemination.

Also, they should be given credit for the fact that this government has seen fit to create a joint effort on brucellosis with the federal government. The benefits of this will not be felt for a number of years, but it is a forward step in the direction of the health of animals, for the province of Ontario.

In the years that lie ahead, I may say that, if the full co-operation of all concerned is given, the result of this operation will mean that Ontario will have a market second to none for the production of livestock and in particular cattle, in this whole country of ours.

Mr. Whicher: Where are they going to sell the cattle?

Mr. Johnston: We will find a market for the cattle, if they are of the proper health status.

Now this contract farming has been mentioned, Mr. Chairman, and I would like to say this. I hope the day never comes when this country is forced into contract farming.

Mr. MacDonald: Hear, hear!

Mr. Johnston: I say that advisedly. If that day ever comes then farming has lost its whole meaning in this country.

Farming is improving, as the hon. Minister has said. The operation is improving. We are told now that 80 per cent. of the production of this country is produced by 20 per cent. of the producers, and on the other hand, that 80 per cent. of the producers are producing only the other 20 per cent.

That means one thing only, and if hon. members could tell me, when that sort of thing is going on at the present time, that we will ever go to contract farming, I cannot see it.

With all our mechanization, with all the leadership given by this government in extension work, there is no doubt in my mind that, in the years ahead, farming in this province will have a great future.

Mr. J. Root (Wellington-Dufferin): Mr. Chairman, I just want to make one or two comments. I have been listening to the questions asked by some of the backyard farmers from York South and places like that. I do not think they realize that they are discussing matters that they are not too familiar with.

I do not think there has ever been a government in Ontario, and I said this the other night, that has done as much for agriculture as the present government. They mentioned the lack of facilities. I do not know of any government in Ontario that has ever put any more facilities in the farm homes than the present government did, through their rural electrification programme.

I do not know of any government that has done more to help our junior farmers get established than this government, by their loan assistance programme.

I could tell hon. members of the assistance that The Department of Highways has given to our farm people. In this year, I believe, we are going to vote some \$60 million to assist in municipal roads. The whole highway budget, I believe, back about 1943 was only \$17 million to pay the cost of all the roads in the province.

Mr. Whicher: Where did this government get the money?

Hon. Mr. Dunbar: He thinks it grew on trees.

Mr. Whicher: They took it from the farmers.

Mr. Root: We have had, under this government, one of the greatest development and expansion programmes that has ever been carried on in the province. We have attracted 1.75 million new people into this province, and they are helping to contribute some of the money for these roads and other things.

They have not only contributed money, but they have established a great consuming market for the products of our farms.

An hon. member: What time did the satellite go up?

Mr. Root: Well, there may be another one shot off one of these days. I want to say to the hon. member for Bruce, who asked how much money has this new government in Ottawa put in the farmers' pockets, that he must have left the other afternoon before I completed my speech, because in that—

Mr. Whicher: A lot of other people did, too.

Mr. Root: Mr. Chairman, I want to say that, to enlighten people like the hon. member for Bruce, who apparently has never taken the time to inquire what is happening to our farm prices, I pointed out that a year ago top steers were selling on the Toronto market at \$20 per 100 pounds. That was

on February 12, and on February 11, on the same day of the same week this year, the same grade of steers were selling for \$23 per 100 pounds.

Mr. Whicher: Ten years ago they were selling for \$35, did the hon. member ever bring that up?

Mr. Root: Yes, and in 1951 they were selling for \$40, and under the government that was defeated on June 10, the price was cut in half down to \$20, so let the hon. member keep that in mind.

An hon. member: What government was in power when it was \$40?

Mr. Root: Mr. Chairman, let me go on and tell you that is not just a price for top steers, that carries right through the whole range of heifers. A year ago, \$17, this year \$20.

Cows a year ago were \$11.50 per 100 pounds, this year \$15.50 per 100 pounds. That is \$4 gained. The hon. member was talking about bulls a minute ago. A year ago they were selling at \$13, and now they are selling at \$17.50, and that is the price for bulls.

A year ago, veal calves were selling at 31 cents a pound, that is top veal, and this year at 36 cents. A year ago, lambs were 22.25 cents, this year 24 cents.

A year ago, butter was 58 cents a pound, this year 52.5 cents a pound. A year ago cream was selling at 60 cents, and this year 64 cents.

Mr. Chairman, just to show I have not picked a high week, I will give some of the prices that were in this morning's *Toronto Globe and Mail*, and there we will find the top steers on Monday at the Toronto stock yards sold not at \$23 per 100 pounds, but at \$23.50, with sales up to \$23.75, so the market is still going up under trade policies that are being carried out, and under the stabilization policies that are in effect, in Ottawa today.

The same is true of heifers. The prices I quoted a year ago, \$17 per 100 pounds, and I said on February 11, 1958, they were \$20 per 100 pounds. Last Monday they were \$21.50. Now that is the way this government does business for the people, and puts the money in the farmers' pockets. The hon. member wanted to know.

Now, **Mr. Chairman,** I would just remind the hon. member for Bruce, since he is not acquainted with what is happening in agriculture, that the total cattle population in Canada last June was some 11.245 million.

If we take the average weight of 1,000 pounds—and the hon. member knows that bulls weigh up to a ton—and I am not asking the hon. member to take the top figure of a gain of 5 cents per pound, we will just say 3.25 cents a pound, and that puts \$375 million in the farmers' pockets or credit in the bank. That is the kind of money the government is putting in their pockets.

This week the market has gone up another \$1 per hundred, and that is another \$110 million, and that makes \$.5 billion of money in the farmers' pockets, or credit in the bank, in just less than a year.

Well, **Mr. Chairman,** all that I am trying to say is that this government in Ontario has done a good job for agriculture, and that its overall policies have created a great consuming market for the products of our farms. Also the policies of the government in Ottawa have given us a little protection, and they have found markets that did not exist before.

Not only in actual dollars and cents has this government done a good job for the farmers, but through research and in many other ways. Last fall, I was up in Manitoulin Island and I saw some of the new varieties of oats which yield 100 bushels an acre. Think of the difference between a threshing crop that yields 50 bushels per acre, and one that yields 100 bushels per acre.

There are many ways in which this government has done a great job for agriculture, with the co-operation of the government in Ottawa, and I think the farm people have more sense of security today than they have had for many years.

Vote 102 agreed to.

On vote 103:

Mr. G. Innes (Oxford): On vote 103, item No. 7, grants to agricultural societies and other exhibition associations for capital improvement: may I ask how many arenas were constructed last year for capital improvement?

Hon. Mr. Goodfellow: I am told that there were grants on 10 arenas, and of course the maximum is \$5,000. Twenty-five per cent. up to \$20,000.

Vote 103 agreed to.

On vote 104:

Mr. Innes: On vote 104, item No. 7: mention has been made by the hon. Minister this afternoon on efficiency as regard to the

farmers. I understand that in the province of Manitoba there are experiments being run and efficiency experts being employed by the government. I wonder if the hon. Minister has had any intention of employing any in his service for the benefit of the farmers, or for those who would like to ask for that service? I do not feel that the government should force it on the farmers, but I feel that it should be available if the farmers should want to come to the department for it.

Hon. Mr. Goodfellow: I do not know about efficiency experts, we have lots of specialists. I do not like the idea of having experts, I would rather have the fellows we now have.

Mr. Innes: I mean along farm management lines, I mean the same as with farm management loans—

Hon. Mr. Goodfellow: As the hon. member knows, we have those people working on that, and helping the farmers with the operation.

Mr. Nixon: On item No. 6, Mr. Chairman, \$50,000, grants and expenses in connection with soil improvement and land use projects, could the hon. Minister give us some idea how that is worked out?

Hon. Mr. Goodfellow: I find that Brant county last year received \$700 of this. Last year we had only \$10,000. We intend to expand it this year.

Mr. Nixon: There were cash prizes given, as my hon. friend knows, for competitions in various kinds of crops. Does that money come out of this vote, or is that raised locally?

Hon. Mr. Goodfellow: No, that comes out of the agricultural societies' fund.

Votes 104 to 109, inclusive, agreed to.

Mr. MacDonald: Mr. Chairman, I would like to ask a question about these various grants that are made to these associations. Is this grant made outright to associations, and can they spend it as they wish?

Hon. Mr. Goodfellow: Yes, subject to an auditor's report on their operation—

Mr. MacDonald: Coming back to the department.

Hon. Mr. Goodfellow: That is right.

Mr. MacDonald: My attention has been drawn to one and I would like to publicly

draw it to the attention of the hon. Minister. That is in the instance of the cattle breeders' association which gets a grant of \$500.

I am informed that \$125 of that \$500 is never received, as it is used for the buying of a box at the Royal Winter Fair which is used by officials of the department. How would the hon. Minister explain that sort of thing?

Hon. Mr. Goodfellow: I assure the hon. member for York South I will look into it, and if that is the case they will be getting no grant to buy a box at the Royal Winter Fair.

Mr. MacDonald: Just a minute now, the box was not bought by the cattle breeders' association; it was bought by people in the department, so that the association received the \$500 minus the \$125.

Hon. Mr. Goodfellow: Who used the box?

Mr. MacDonald: The departmental officials.

An hon. member: Did they offer the hon. member any tickets?

Mr. MacDonald: No.

Hon. Mr. Goodfellow: They should have.

Mr. MacDonald: That is not answering the question. Just a minute now, the hon. Minister started out by saying that this \$500 is granted subject to an order. Now, here is one instance, and I do not profess to know whether this happens to others but I know in this instance it did happen. They did not receive the \$500, because \$125 was spent for a box at the Royal Winter Fair, and the box was used by departmental officials and their friends.

Hon. Mr. Goodfellow: I understand that an official of the department was the secretary-treasurer of the cattle breeders' association, and the probabilities are that he secured this box for the cattle breeders. I would not know who used the box. But I would be glad to look into it.

Mr. MacDonald: I think that—

Hon. Mr. Frost: It is not an objectionable thing. After all, it is to help the Royal Winter Fair, and it is really a farmers' show, and they want these assistants. Why not?

Mr. Innes: On vote 110, item No. 4, research: Last year, the department allotted \$50,000 for research, and I believe that only \$9,000 was used up. Now what happened to the other \$40,000 of research?

Hon. Mr. Goodfellow: The item was put in there to take care of a vote on a marketing plan on farm commodities, last year. It was not used up. It might be that it is one of those uncontrollable items, and it might be more than that this year. It depends on how many votes are left.

Mr. Innes: Yes, speaking on the vote procedure, I have had several comments on the different voting procedures on the marketing schemes.

The fact has come to my mind that it would be very beneficial to this government, when the census is being taken, or when statistics are being taken throughout the province, if those in favour of a wheat voting scheme, or a hog voting scheme, would signify this when the census taker is going along, or some other enumerating procedure is taken.

I say this because it is quite evident that there is a very hit-and-miss enumerating scheme at the present time, especially in the wheat vote, which has been brought to my attention, and I think it would be well for the hon. Minister to look into this.

Hon. Mr. Goodfellow: Well I am inclined to agree that we have to have a more systematic way of registering those who are entitled to vote. I am not sure whether the bureau of statistics would want to have the census taken, or whether the local assessor would want to do it. But I am hoping that, with these amendments in The Farm Products Marketing Act, we will be able to establish a more orderly way of getting a registration of those who are entitled to vote.

I must admit that on the wheat vote there was not too much involved, there was not too much opposition.

Down in my own county we have farmers who might sell some fall wheat to a mill this year and they would not sell any more for 10 years. It just depends on whether they wanted it for feed or if they had some surplus. But in western Ontario fall wheat is an important cash crop. We felt that there should be a majority of those who are eligible to vote up there, but in the rest of the province a majority of those voting was accepted. However, an overwhelming vote for the plan was given across the province.

Mr. J. Spence (Kent East): On vote 110, Mr. Chairman, item No. 4: the hon. Minister spent considerable time on the subject of research this afternoon. I would like to ask him if he has ever considered setting up a

research branch to try to find some by-products out of these surplus agricultural crops we have in Ontario? It has been brought to my attention quite a number of times that if The Department of Agriculture would set up a research branch to discover some by-products, it would be of great assistance to agriculture in all parts of Ontario.

Hon. Mr. Goodfellow: I understand the Ontario research foundation is doing a great deal of work on what the hon. member mentioned, trying to find a use other than food from the surplus farm commodities. I might say that our people at the Ontario Agricultural College have been doing a great deal of work on this, jointly with the Ontario research foundation, and I think that it is a point well taken.

Mr. Nixon: May I ask the hon. Minister in connection with these votes on projects, if a farmer finds that his name is overlooked, is there provision for him to vouch his own name, and does he not have a vote by going to the department, so that no one is put in a position that he cannot vote, even if his name is left off?

Hon. Mr. Goodfellow: He registers the day he goes to vote. Now there has been some consideration given as to whether we should have a list prepared, the same as we have for a municipal or a provincial election, which gives a certain time to register at a court of revision and that would be the voters' list, but that is something that is being only suggested.

Mr. Innes: Mr. Chairman, I would like to ask the hon. Minister if there is any correlation between the hospital farms in the province today? Some of their reports are received by the department. Is there any research programme laid out for the hospital farms, that would benefit this particular department? I would think that it would be a step in the right direction, where there are large herds and different livestock, to have some experimental work in that direction. Would it not be of benefit to the hon. Minister's department?

Hon. Mr. Goodfellow: I understand that our people have been using the herds and the livestock and what-have-you to carry on some experimental work on some of the Ontario hospital farms. I think it is a good idea to use them for experimental purposes.

Mr. Innes: Is the hon. Minister pushing the point quite heavily? I mean, it seems like a logical place to get a lot of information

where he has his own personnel there, and he can pass such information along to other branches.

Hon. Mr. Goodfellow: I know they have been working together in very close co-operation, as there is between our people and The Department of Reform Institutions at Burwash; this has been going on for some years.

Mr. MacDonald: Mr. Chairman, I would like to ask the hon. Minister a question with regard to the co-operative loan board. When an application is made for a loan, why is it not possible for the applicants to be informed as to why they are not eligible or why they do not get it? Now I have particular reference at the moment to an applicant who was recently turned down in the case of the Quinte district producers' and consumers' dairy "co-op", which has the backing of some 400 or 500 people in a petition of farmers and consumers. I know first hand of the difficulties that were experienced for a time in the establishment of the co-op in Kenora two or three years ago. But by information is that in the Quinte instance they got a blank refusal with no explanation.

Now what yardstick is used, and what are the factors that are considered in deciding whether or not in any particular case the co-operative will get a loan?

Hon. Mr. Goodfellow: Is the hon. member speaking of the dairy in Kenora? They have received a loan.

Mr. MacDonald: I am not so interested in that, that is past.

Hon. Mr. Goodfellow: I am not aware of this application. Is it from the Quinte district producers' and consumers' dairy co-operative?

An application was made, I think, about 3 or 4 years ago, as I recall it. That was during the time there was a milk strike in Trenton and Belleville, and two or three individuals—

Mr. MacDonald: Yes, I have seen the petition. There are 300 or 400 names on it.

Hon. Mr. Goodfellow: I would very much like to see the petition because, as I recall it, there was an application made, and I was under the impression that somebody wanted to start a dairy to take advantage of the other dairies when they were on strike in Belleville.

Mr. MacDonald: What is the yardstick, and what are the factors, and why cannot the applicant be informed as to why the loan is turned down?

Hon. Mr. Goodfellow: As far as I know, they are informed. I know I have had several come in after they have been turned down by the board, and they have asked to see me, and I have explained to them very frankly why the board did not think, in their judgment, that they would be doing them a good turn by making them a loan.

The board goes into these applications very carefully, because there have been a very great many small co-operatives fail in this province. That is one of the duties of that board. As a matter of fact, my predecessor established the board in order to assist these co-operatives by making sure they were on a sound enough business basis to start operations before any loan was made. I may say that some are turned down, and as far as I am concerned, they were made fully aware of why they did not qualify. I could name 3 or 4 cases wherein it was considered not good business to make them a loan, actually in their own business, because with their set-up they could not expect to succeed.

Votes 110 to 116, inclusive, agreed to.

On vote 117:

Hon. Mr. Goodfellow: The hon. member for Brant (Mr. Nixon) was inquiring about the enrolment at the Ontario Agricultural College. I understand there are 153 outside of Ontario and 64 outside of Canada.

Mr. Innes: In item No. 8, I am glad to see that the research amount has been raised up by a considerable sum, from about \$85,000 to \$225,000. Would the hon. Minister care to say what that is going to be used for, about \$100,000 extra from last year? I am glad to see it, but I just want to know what it is for.

Hon. Mr. Goodfellow: As the hon. member is no doubt aware, there is a very large building programme going on at Guelph, and this new research building is practically completed. We intend to go all-out on expanding research at the Veterinary College at Guelph, not only for the training of students, but also because a great job of work is being done for the farmers across the province of Ontario in helping to solve their livestock disease problems, and maybe we were a little modest in putting in that amount.

Votes 117 to 119, inclusive, agreed to.

On vote 120:

Mr. MacDonald: There is one question that I would like to ask the hon. Minister

about the telephone authority. There is one aspect of its activities that puzzles me.

As I understand it, it was established, in the first instance, in order to provide capital for the expansion of these independent telephone companies. And yet, as one observes the disappearance of these independent companies, it was because they were not in a position to cope with capital requirements involved in expansion. So they were taken over by the Bell Telephone Company.

Yet almost invariably, when they are taken over by the Bell Telephone Company, the rates go up, so that if the original independent company had anything like the income that comes in through the increased rates to the Bell Telephone Company, they would have been in at least a position to have amortized their capital requirements.

If this is a correct assessment of what is happening, it seems to me that the authority is not fulfilling its original function. It does not make the capital available in sufficient quantities so these companies become absorbed by the Bell Telephone Company, then that company increases the rates, and gets enough money to expand further out of the increased rates.

Hon. Mr. Goodfellow: It works both ways. What happened to most of the independent telephone companies in this province was that they kept their rates too low. They did not allow enough for depreciation and along came a severe sleet storm or something and they were completely ruined. They were bankrupt and had nothing left.

As a matter of fact, in a great many instances, the Bell Telephone Company would be very pleased if these small companies would get their old poles and wires out of the way so that they could build a new line, because the small companies have kept their rates so low that they have not kept their system up to a standard which they should have to give good telephone service.

There is the matter of making loans. A great many of these independent telephone companies, at least, are too small to give efficient operation today, they are too small as separate units. They tell me that a telephone company should have at least 1,000 or 1,200 subscribers to be able to afford to have equipment and line men and what-have-you to keep them in a good state of repair, and to keep up their standard of telephone communications.

We had hoped that they would amalgamate and merge, but a great many of them do not want to take the risk of going into

debt by borrowing, and a great many others—some of them are family affairs and others are municipality projects—are sort of jealous of one another.

Therefore they do not work together too well, and this programme has not gone forward. We had hoped that more of these small independents would merge to a point where they would have had a telephone system they could have operated successfully, and given good service, and taken care of their financing.

I might say that there was one rural telephone company, not too far from Toronto, that had very few of what they call long distance calls, that is from their switching point to where it ties into the Bell Telephone Company system for long distance purposes, in other words they got very little long distance revenue. I understand that they borrowed \$90,000, at least the municipality borrowed \$90,000 for them, but after they got \$90,000 in debt, they found that their rates were almost prohibitive. Therefore the matter of telephone communications is a very complicated business, unless they have had a lot of experience and our people have tried to guide them to the best of their ability.

Vote 120 agreed to.

On vote 121:

Mr. Nixon: I wonder if the hon. Minister would tell us something about the working out of these loans in accordance with The Co-operative Loans Act. That amount is \$750,000. How much of that—the hon. Minister must have some idea—will be asked for this coming year? We are just now practically starting in the new year, and reference has been made to the new wheat marketing project that is of particular interest to us in western Ontario, because it is a very important cash crop.

For many years, in the days of the old threshing machine—which has now become as scarce as the stallions which my hon. friend has legislated out of business—the practice was that every farmer stored his wheat.

It is no longer very convenient for most farmers to store their own wheat from the combine, and the practice has grown up with those who have a very large acreage that the wheat is taken directly from the combine to the elevator.

In some sections of western Ontario, there does not seem to be elevator capacity available for ordinary customs storage. For several years now the difference in price paid at the time the combines start until this time of the

year is generally 30 cents or more a bushel, which represents a very heavy loss to those farmers who are in the position that they must market their wheat from the combine.

If the department could give some research to this problem, I think it might work out very advantageously that, under the new marketing scheme, the wheat should go on the market in an orderly way—so many hundred thousands bushels a month.

I think there are about 20 million bushels altogether grown now, and I believe there has never been any suggestion that there is a surplus of fall wheat grown in the province of Ontario.

There is always a market for it if the farmer wants to accept the price, but I think there is too great a fluctuation in the price between harvesting time and, say, this time of the year, when it is 30 cents more than it was in August and September.

Hon. Mr. Goodfellow: I would say the hon. member for Brant has taken the point very well in connection with the farmers who might very well consider building elevator space for themselves on a co-operative basis.

I think, on the whole, the co-operatives across this province have got themselves on a sound businesslike basis at the present time, and are doing an excellent job. Our board which deals with them feels that they have their financial house in order, and we are really not too concerned about the vast majority of the co-operatives of Ontario at the present time.

I might say last year we loaned \$842,000 to co-operatives in the province. We have at the present time about \$2 million or \$3 million in loans out to co-operatives.

Mr. Nixon: What are the terms in most instances?

Hon. Mr. Goodfellow: Five per cent. on a 20-year basis. I might say that with Mr. Brennan and Mr. Teasdale, we have two very outstanding fellows who have taken a very keen interest in co-operatives.

Mr. Teasdale has had a great deal of experience in operating the Elgin co-op, and the services of these men are available at any time to go out to and discuss and work with any group of farmers considering establishing a co-operative. I believe in co-operatives.

Vote 121 agreed to.

Hon. Mr. Frost moves that the committee of supply rise and report that it has come to certain resolutions and begs leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: The committee of supply begs to report that it has come to certain resolutions and begs leave to sit again.

Report agreed to.

Hon. Mr. Frost: There are some second readings here, a few that appear to be largely routine matters. If they are not, I will postpone them if any hon. member has any objection.

THE CHARITABLE INSTITUTIONS ACT, 1956

Hon. L. P. Cecile moves second reading of Bill No. 147, "An Act to amend The Charitable Institutions Act, 1956."

Motion agreed to; second reading of the bill.

THE TILE DRAINAGE ACT

Hon. W. K. Warrender moves second reading of Bill No. 118, "An Act to amend The Tile Drainage Act."

Motion agreed to; second reading of the bill.

THE TRAINING SCHOOLS ACT

Hon. M. B. Dymond moves second reading of Bill No. 107, "An Act to amend The Training Schools Act."

Motion agreed to; second reading of the bill.

Hon. Mr. Frost: Mr. Speaker, there are orders 35, 36, and 37, The Public Commercial Vehicles Act, and some other isolated matters which would be discussed in committee if the House would give second reading to those bills.

THE PUBLIC COMMERCIAL VEHICLES ACT

Hon. J. N. Allan moves second reading of Bill No. 149, "An Act to amend The Public Commercial Vehicles Act."

Motion agreed to; second reading of the bill.

THE PUBLIC VEHICLES ACT

Hon. Mr. Allan moves second reading of Bill No. 150, "An Act to amend The Public Vehicles Act."

Motion agreed to; second reading of the bill.

THE ONTARIO HIGHWAY TRANSPORT BOARD ACT, 1955

Hon. Mr. Allan moves second reading of Bill No. 151, "An Act to amend The Ontario Highway Transport Board Act, 1955."

Motion agreed to; second reading of the bill.

THE FEMALE REFUGES ACT

Hon. Mr. Dymond moves second reading of Bill No. 157, "An Act to amend The Female Refuges Act."

Motion agreed to; second reading of the bill.

THE VITAL STATISTICS ACT

Hon. G. H. Dunbar moves second reading of Bill No. 159, "An Act to amend The Vital Statistics Act."

Motion agreed to; second reading of the bill.

THE CORPORATIONS ACT, 1953

Hon. Mr. Dunbar moves second reading of Bill No. 162, "An Act to amend The Corporations Act, 1953."

Motion agreed to; second reading of the bill.

Hon. Mr. Frost: Mr. Speaker, I did not intend to call the next bill this afternoon. That involves the extension of the municipal franchise. The municipal committee is sitting on Thursday, and it might be advanced on this understanding, that it could go to the committee on municipal bills and then when it comes back it could have a whole discussion here, if that would be satisfactory, and we would discuss both the principle and the details of the bill when it comes back here.

EXTENSION OF THE MUNICIPAL FRANCHISE

Hon. Mr. Warrender moves second reading of Bill No. 160, "An Act to provide the extension of the municipal franchise."

Motion agreed to; second reading of the bill.

THE FINANCIAL ADMINISTRATION ACT, 1954

Hon. A. K. Roberts moves second reading of Bill No. 164, "An Act to amend The Financial Administration Act, 1954."

Motion agreed to; second reading of the bill.

THE HOMES FOR THE AGED ACT, 1955

Hon. Mr. Cecile moves second reading of Bill No. 166, "An Act to amend The Homes for the Aged Act, 1955."

Motion agreed to; second reading of the bill.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to.

House in committee; Mr. H. M. Allen in the chair.

ST. PETER'S CHURCH, BROCKVILLE

House in committee on Bill No. 3, An Act respecting St. Peter's Church, Brockville.

Sections 1 to 6, inclusive, agreed to.

Preamble agreed to.

Bill No. 3 reported.

ST. MICHAEL'S COLLEGE

House in committee on Bill No. 25, An Act respecting St. Michael's College.

Sections 1 to 19, inclusive, agreed to.

Preamble agreed to.

Bill No. 25 reported.

SOCIETY OF DIRECTORS OF MUNI- CIPAL RECREATION OF ONTARIO

House in committee on Bill No. 30, An Act to incorporate the society of directors of municipal recreation of Ontario.

Sections 1 to 16, inclusive, agreed to.

Preamble agreed to.

Bill No. 30 reported.

TOWN OF ALMONTE

House in committee on Bill No. 37, An Act respecting the town of Almonte.

Sections 1 to 4, inclusive, agreed to.

Schedule agreed to.

Schedule A agreed to.

Preamble agreed to.

Bill No. 37 reported.

CITY OF HAMILTON

House in committee on Bill No. 41, An Act respecting the city of Hamilton.

Sections 1 to 7, inclusive, agreed to.

Preamble agreed to.

Bill No. 41 reported.

THE CORONERS ACT

House in committee on Bill No. 132, An Act to amend The Coroners Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 132 reported.

THE POLICE ACT

House in committee on Bill No. 133, An Act to amend The Police Act.

Sections 1 to 6, inclusive, agreed to.

Bill No. 133 reported.

THE CORPORATIONS TAX ACT, 1957

House in committee on bill No. 138, An Act to amend The Corporations Tax Act, 1957.

Sections 1 to 33, inclusive, agreed to.

Bill No. 138 reported.

Hon. Mr. Frost moves the committee do rise and report certain bills, and begs leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Allen: Mr. Speaker, the committee of the whole House begs to report certain bills without amendment and begs leave to sit again.

Report agreed to.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House, I would say that tomorrow at 2 o'clock we will have the estimates of The Department of Highways and The Department of Transport. They will follow in that order, and following that, we will go on with the Throne and budget debates. That can be handled in the order that the hon. members want it. There would then follow some bills on the order paper. It might be possible tomorrow to call some of the private members' orders, the public bills and orders and resolutions. But it would seem to me more likely, perhaps, that these would be on Thursday.

We will see what we can do.

I would propose night sessions on Monday, Tuesday and Wednesday of next week as well. I think those will be necessary, and if they are not, we will not have them of course.

Mr. Nixon: May I ask the hon. Prime Minister if there is any decision on the vote on the speech from the Throne?

Hon. Mr. Frost: That has been set down for Thursday afternoon. The wind-up speeches will be made at that time, and the vote will take place on Thursday.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5.10 of the clock, p.m.





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Wednesday, March 19, 1958

Afternoon Session

Speaker: Honourable The Rev. A. W. Downer

Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, MARCH 19, 1958

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. R. M. Myers, from the standing committee on legal bills, presents the committee's second and final report as follows:

Your committee begs to report the following bills without amendment:

Bill No. 70, An Act to amend The Vital Statistics Act.

Bill No. 87, An Act to amend The Insurance Act.

Bill No. 96, An Act to amend The Division Courts Act.

Bill No. 115, The Private Investigators Act, 1958.

Bill No. 134, An Act to amend The Real Estate and Business Brokers Act.

Your committee also begs to report the following bills with certain amendments.

Bill No. 61, An Act to amend The Mortgages Act.

Bill No. 65, An Act to amend The Land Titles Act.

Bill No. 111, An Act to amend The Administration of Justice Expenses Act.

Bill No. 114, The Libel and Slander Act, 1958.

Bill No. 135, An Act to amend The Registry Act.

Bill No. 137, An Act to repeal The Law Stamps Act.

Motion agreed to.

Clerk of the House: Mr. H. F. Fishleigh, from the standing committee on education, presents the committee's third and final report as follows:

Your committee begs to report the following bills without amendment:

Bill No. 145, An Act to amend The University of Toronto Act, 1947.

Bill No. 154, An Act to amend The Department of Education Act, 1954.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

THE MUNICIPALITY OF METROPOLITAN TORONTO ACT, 1953

Hon. W. K. Warrender moves first reading of bill intituled, "An Act to amend The Municipality of Metropolitan Toronto Act, 1953."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, there are quite a few amendments in here, some with significance and some not quite so significant, but I might say that this bill is going to the municipal law committee for full consideration.

Mr. D. C. MacDonald (York South): Mr. Speaker, are these amendments a result of the recommendations of the commission report?

Hon. W. K. Warrender (Minister of Municipal Affairs): No, that will be embodied in another bill, I think, Mr. Speaker.

CHARGING OF TOLLS ON CERTAIN BRIDGES

Hon. J. N. Allan moves first reading of bill intituled, "An Act to provide for the charging of tolls on certain bridges."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill, in its general terms, gives authority for tolling certain specific bridges—international bridges—which would include very probably a new toll bridge across the Niagara River, a bridge at Sault Ste. Marie, and either or both at Fort Frances and Rainy River. In the matter of either erecting overhead bridges across the Welland canal or tunnel, it would seem that at least two or possibly three bridges or tunnels will be required. Then there are the skyway at the entrance to the

Hamilton harbour and the Fort Frances causeway and bridge.

Now this programme, which is by no means settled, is nevertheless, very approximate. There are presently discussions between Ontario and New York state relative to a new bridge in the Queenston area, connecting our highway system with the New York thruway. To this there would be connections from Niagara Falls, Ontario, and St. Catharines.

We are also negotiating with the state of Michigan relative to an overhead bridge or skyway at Sault Ste. Marie, which would connect the Ontario road system with that of Michigan as in the case of the bridge at Mackinac.

This bill is purely enabling, and I may say that what will be done has not been settled, nor is it possible to settle it until some of the implications in connection with the programme I have just mentioned become clear.

There have been discussions relative to the tolling of the Burlington-Hamilton skyway. In the meantime, a deal has been made with the federal government concerning the construction of a modern lift bridge across the canal, to probably combine the railway bridge and a new highway bridge which would always give free crossings to those who desire to avail themselves of it, and would connect the communities on both sides of the present canal.

If the skyway were tolled, and likewise the new overpasses and underpasses at the canal, these would provide new sources of revenue which would enable the extension of the provincial highway system in that portion of Ontario.

The possibilities I have mentioned involve a very large sum of money, probably in the neighbourhood of \$100 million. This is over and above any highway programme envisaged in the province.

It is very obvious that if this programme is to be proceeded with, of course, the principal revenues would come from tolls. It is therefore desirable that there should be general authority to proceed in the coming year if the necessity arises.

All the pros and cons of these matters have been carefully canvassed by a select committee of this House, and much of what is in view has been considered. The government is presently negotiating with our own federal government, the governments of New York state and Michigan, and other areas and interests. This development can have immense

possibilities for Ontario, including the development of the tourist industry.

The tying in of our system with the state of New York, and the New York thruway alone, has great possibilities. Likewise in northwestern Ontario, there is, with all of this, the development of the Quetico park and that area.

GENERAL WELFARE ASSISTANCE TO PERSONS

Hon. L. P. Cecile moves first reading of bill intituled, "An Act to provide general welfare assistance to persons."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this new Act will replace The Unemployment Relief Act. It contains 5 principal features. First, the expression "relief" as used in The Unemployment Relief Act is replaced by the expression "assistance." Provision is made for the furnishing of assistance at the provincial level and at the municipal level, including the county level which is new.

Provision is made for agreements between Canada and the province to share the cost of assistance and the cost of public works undertaken by either of them, to relieve unemployment in Ontario or in any municipality. Also, provision is made, along the same lines, for agreements with the province and the municipality.

THE LOAN AND TRUST CORPORATIONS ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to amend The Loan and Trust Corporations Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this amending Act allows a loan or trust company to invest in short-term securities of one company, in amount up to 20 per cent. of the paid-in capital stock and reserve fund, and in addition up to 5 per cent. of the money borrowed.

Mr. J. J. Wintermeyer (Waterloo North): What is the purpose of that bill? I mean how did it come about?

Hon. A. K. Roberts (Attorney-General): It would be better to wait for the second reading, I think, than get into a question period now.

THE ONTARIO FUEL BOARD ACT, 1954

Hon. J. W. Spooner moves first reading of bill intituled, "An Act to amend The Ontario Fuel Board Act, 1954."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, briefly the purpose of this bill is to introduce new legislation having to deal particularly with the establishment of natural gas storage areas, and the methods of establishing these storage areas, and the method of providing compensation when the owners of a storage area and a pipe line company cannot by themselves complete an agreement for that purpose.

The bill will provide a new method of arriving at this compensation by the setting up of a board of arbitration, the decisions of which will be subject to appeal to the Ontario municipal board and to the Ontario court of appeal.

There is also another subsection dealing with minor amendments to certain permits that are required for the use of natural gas for heating in industrial premises, and one of the most important sections of the bill deals with the validity of orders heretofore issued by the fuel board with respect to designated natural gas storage areas.

Mr. Speaker: Before the orders of the day, I would like to extend a very warm welcome to the students from Birchcliff Heights public school, Scarborough; Oakridge public school, Scarborough; Buchanan public school, Scarborough; Central school, Peterborough; and Uxbridge public school.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before the orders of the day, I should like to draw the attention of the House to question No. 7 on the order paper in the name of the hon. member for Kent East (Mr. Spence).

The inquiry is this, "For the years 1955, 1956 and 1957, how many orders-in-council were passed by the provincial government?"

I thought I would answer that verbally for this reason, that an answer that would possess any intelligence would have to be an order for return, and I have not the particulars here, but I think I can answer the hon. member's question so he will understand the situation.

First of all, it must be understood that an order-in-council is the method by which the executive council acts. It is comparable to the resolution or the by-law of a municipal council. It is the instrument by which it acts. Now the reason I make that explanation is this. Without any explanation, if the number

of orders-in-council were given it could be used by persons who did not understand, to say that this was government by order-in-council.

Now with that, I point this out to the hon. member. The orders are these: the average orders-in-council in the provincial administration run from 60 to 80 every week. In 1955, the orders-in-council were 3,214, in 1956, 3,243, about the same; in 1957, 4,614. Now the reason for the increase in 1957 was the readjustment in the salaries of the staff. If we take one or two departments here it will illustrate what I mean.

In The Department of Highways, the orders-in-council affecting staff amounted to 462. Orders-in-council—and remember this is the way you act under a statute involving rights-of-way and matters of that sort—totalled 345. In fines and forfeitures, 49. In regulations, 42; orders-in-council relative to by-laws, 11; to mileage allowance, 1; motor vehicle permits, 1; transfer of land, 6; proclamation, 1; travelling expenses, 2; making a total of 920 orders-in-council in that department.

I have several others. In the year 1957, there were very many orders-in-council relating to staff. I could show the hon. member an agenda that is used in Cabinet each week. I would be very glad to show it to any hon. members in the House; they will find that the great majority of orders-in-council involve the changes of status of individuals in the public service.

In the principal ones, in agriculture last year, for instance, there were 206 orders-in-council affecting staff. In health, which is a big employment department, 424. In the Attorney-General's Department which involves provincial police and other matters of that sort, changes such as, for instance, the promotion of constable to corporal involve an order-in-council. There were 305 orders-in-council in the Attorney-General's Department concerning staff only.

I think that gives the explanation. I would be very glad to show any of the hon. members here a typical agenda for a Cabinet council meeting. The executive arm of the government and the executive arm provided by any Act is mainly by order-in-council. There are no resolutions and by-laws such as in a municipal council. I think that explains the point.

Mr. S. L. Hall (Halton): Before the orders of the day, I would like to have the honour of making a statement which I think should be of interest to the hon. members of this Assembly, especially after the hon. Minister

of Agriculture (Mr. Goodfellow) gave his estimates yesterday.

The junior farmer and junior women's organizations of Halton county entered into the provincial debating society 6 years ago and the subject of the debate this year was "Resolved that contract farming is in the best interest of the Ontario farmers" and I would like to say that the debating team of Halton county won that championship this year. I said that they entered the debating society of junior farmers provincially 6 years ago, for 4 of those years they have won the championship and for the last 3 years they have taken it consecutively, I think that is an honour, to which I wish to pay tribute to our junior farmers and junior women of Halton county.

Mr. Wintermeyer: Mr. Speaker, the hon. member for Halton beat me to the draw. I was going to ask the hon. Prime Minister whether he would consider any questions to the answers he made to the inquiry of the hon. member for Kent East. The questions I wanted to ask were: First, will you permit me, Mr. Speaker?

Hon. Mr. Frost: Certainly.

Mr. Wintermeyer: Firstly, are all orders-in-council publicized? Is it public information?

Hon. Mr. Frost: Yes, my recollection is this: the orders-in-council are published on the order board here, and are available at the end of every week. But I would say to the hon. member if there is any order-in-council in which he is interested I would be very glad to get full particulars.

Mr. Wintermeyer: I just wondered as a matter of policy whether or not they are published.

Hon. Mr. Frost: Every week, and the hon. member for Brant (Mr. Nixon) could explain the situation. They go to the Lieutenant-Governor for signature — orders - in - council relating to the executive acts of the government which would run on an average between 60 and 80. Now it might be less than that or it might be much more, sometimes it might run to 100 orders-in-council.

I think he will agree that it is impossible to take and publish those in detail, they are very voluminous. Some of them are pages long. To publish them in the sense that they are published, no; but the passing of the orders-in-council are first posted and very often the press refers to them. I would be very glad to give the hon. member details of

that. If he would speak to Mr. McIntyre of the Cabinet office he could explain that situation to him.

Mr. Wintermeyer: The hon. Prime Minister rather surprised me when he said the Cabinet would pass on such a matter as the promotion of a member of the Ontario provincial police from a corporal's or constable's rank to a higher rank, in relation to salary.

Hon. Mr. Frost: I will show the hon. member a copy of an agenda, and he can see for himself.

Mr. Wintermeyer: It is a matter of public policy, I think, to know whether or not the orders are all published and I do not know that they should be, but on the other hand, it just amazes me that the Cabinet would pass on so many things involving individuals.

Hon. Mr. Frost: It used to be that there was no Cabinet agenda. I imagine such was the case in the days when the hon. member for Brant was in, because I do not think there was ever a Cabinet agenda before it was introduced by this government a number of years ago.

In any event that has been amplified, and it would be clearly impossible. The whole agenda is gone over, but the great majority of items are self-explanatory and are not questioned—otherwise one would be an indeterminate time considering these matters. We used to have no Cabinet secretary; that was in the days of the hon. member for Brant. We introduced that a number of years ago because of the volume of work.

As I say, in some departments the orders-in-council are very few, for instance in The Department of the Prime Minister, I notice last year, staff appointments concern 13 items; transfers of duties and powers, 8; proclamations, 1—now that may have been a proclamation of an Act, for instance; water resources commission, 2—I think those were appointments of new personnel; warrants, 2—no doubt having to do with some Treasury board matter relating to perhaps the expenditure of money; St. Lawrence development commission, 1—I think that was the appointment of members to the commission, and the same with the Ontario parks board, also the same with Ontario hospital services board; by-election, 1; and matters relating to The Ontario Hydro Electric Power Commission, 5—now those would probably be in connection with recommendations concerning loans and matters of that sort; and Hungarian relief, 2. This makes a total of 38 orders-in-council.

Now, those matters are obviously pretty routine.

In the Provincial Treasurer's Department there were 146 orders-in-council, of which 86 related to matters of staff. Some of the larger ones here: public welfare, there were 221 orders, 55 relating to staff; 35 to charitable institutions. I might say that probably there was an order which had to be made affecting each one of several charitable institutions.

That is the ordinary routine of orders-in-council.

Mr. H. C. Nixon (Brant): Would the hon. Prime Minister tell us if an order-in-council is required for such a minor matter as, for instance, the appointing of a new hon. Cabinet Minister?

Hon. Mr. Frost: The hon. member knows the procedure. The recommendation is made to The Honourable Lieutenant - Governor (Mr. MacKay) who, if he acquiesces, signs the necessary forms and then the person is appointed.

Mr. T. D. Thomas (Oshawa): Did the hon. Prime Minister need an order-in-council when the hon. Minister of Education (Mr. Dunlop) announced just before the last election that The Department of Education of this province would meet 50 per cent of the cost of milk for the children in the schools?

Hon. Mr. Frost: I do not recollect that. I would say that, obviously, this is a hypothetical question.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and that the House resolve itself into committee of supply.

Motion agreed to; House in committee of supply, Mr. H. M. Allen in the chair.

ESTIMATES, DEPARTMENT OF HIGHWAYS

Mr. J. N. Allan (Minister of Highways): Mr. Chairman, in rising to present the estimates of The Department of Highways again, I am reminded of the growth of the estimates since my term of office as Minister. This is only the fourth time that I have presented the estimates, and so as a matter of interest, I did ascertain the size of each estimate that I have presented.

May I say that in connection with King's highways the estimate for capital construction was \$47,965,000 for the fiscal year ending March 31, 1955. The first estimates which I presented provided \$70,000,000 for new construction in 1955-1956. For 1956-1957 the similar figure was \$77,800,000; for 1957-1958 it was \$121,734,000 and now it is \$135,200,000 for 1958-1959. This gives some indication of the great increase in the capital construction programme of The Department of Highways.

CONSTRUCTION AND OTHER CAPITAL PROJECTS COMPARISON OF EXPENDITURES (NET)

<i>Year Ending March 31</i>	<i>Estimates</i>	<i>Actual</i>
	\$	\$
1955	47,965,000	38,320,000
1956	70,000,000	68,262,000
1957	77,800,000	102,775,000
1958	121,734,000	
1959	135,200,000	

NOTE: Last four years would start from March 31, 1956.

Our estimates for subsidies has increased over that time as well. Our total estimates for the payment of subsidies on capital work for municipalities, in 1955-1956 was \$31 million. In 1956-1957, \$35 million, and in 1957-1958 it was \$36 million. The present estimates are \$44.4 million. This is an increase of practically 50 per cent., in the assistance, by way of subsidy on capital grants to the municipalities:

ESTIMATES OF MUNICIPAL BRANCH, DHO

	<i>1955 - 1956</i>	<i>Fiscal Year Ending 1956 - 1957</i>	<i>1957 - 1958</i>	<i>1958 - 1959</i>
	\$	\$	\$	\$
Capital				
Municipal Subsidies	25,000,000	30,000,000	30,000,000	37,000,000
Development Roads	5,000,000	5,000,000	6,100,000	7,000,000
Unincorporated Twps.	1,000,000	400,000	600,000	400,000
Total Capital	\$31,000,000	\$35,400,000	\$36,700,000	\$44,400,000
Ordinary				
Municipal Subsidies	17,000,000	20,000,000	22,000,000	23,000,000
Development Roads	750,000	350,000	500,000	500,000
Unincorporated Twps.	750,000	600,000	750,000	1,000,000
Total Ordinary	\$18,500,000	\$20,950,000	\$23,250,000	\$24,500,000

NOTE: Actual subsidy payments, capital and ordinary, are shown on the bottom of page 8 under vote 602.

I would like to review a record of the progress in the year nearing its end, and outline some of our objectives for next year.

We are now well under way on a planned programme of highway construction of such extent as this province has never known. Since it takes some 4 years of planning, pre-engineering, and actual construction before a modern highway can be completed for use, the work of many engineering specialists, which has been in progress for the past two or three years, will result in new highways to be completed in 1958, and work will continue or start on further highways to be constructed in the following years. I mention this because the progress made in any one year cannot be judged solely on the mileage of highways completed in that year, even though that mileage is as substantial as it has been.

Just a year ago, "A Plan for Ontario Highways" was completed and made public, in which it was estimated that it would cost over \$2.7 billion to construct new highways and reconstruct old highways to the modern standards, which would provide for the great increase in motor vehicle traffic which is expected over the next 20 years. This plan was based on sound engineering and economic studies, which took into account the present condition of all King's highways and secondary highways, provided a classification of highways and new highway standards suited to future requirements, and included an estimate of the total cost. I might say that while this report was prepared by extremely competent engineers in the department, we had the co-operation of Canadian authorities and retained the services of the automotive safety foundation, Washington, considered the outstanding authority in the United States.

Our plan for Ontario highways is a practical functional plan designed to meet Ontario's highways needs. The past construction year has seen this plan in action, and our programme for 1958-1959 provides for another year of progress, towards our goal of bringing every King's highway up to the high standard that is, or will be, required to serve some 4 million registered motor vehicles expected in the province in the next 20 years. When this goal is achieved, one-quarter of our King's highway mileage will be composed of dual-lane highways. The balance, where necessary, will have been entirely constructed with better alignment, adequate sight distances, and moderate grades.

At the rate that we have planned for our work for 1958-1959, it is estimated that we can complete our planned programme in very little more than 10 years. To do this

would depend, of course, on being able to maintain expenditures at the 1958-1959 level, and that the purchasing power of our highway dollar would remain unchanged.

Data on which our plan for Ontario highways is based is constantly being supplemented by continuing studies which keep the plan up to date in the face of changing conditions. We also have under way a study of municipal rural roads and urban streets to which I will refer in more detail later on. This study should be completed late in 1958, and at that time we will have a comprehensive picture of the entire network of some 83,600 miles of King's highways, secondary highways, rural municipal roads and urban streets which carry all of the motor vehicle traffic throughout the province.

Responsibilities of the department

Just as a matter of record I should say that The Department of Highways has two main functions. The department is responsible for the planning, design, construction and maintenance of some 11,200 miles of King's highways and secondary highways which are the full responsibility of the province. Then, through our municipal branch we administer subsidies paid by the province to assist some 1,000 organized municipalities, to construct and maintain the rural roads and urban streets, for which the municipalities are responsible. The municipal branch also finances the construction of development roads, and provides assistance to some 430 statute labour boards and groups of settlers in unorganized districts.

I will discuss the operations of, and estimates for, each of these departmental activities separately as I proceed in these remarks. But, of our total estimated requirements for 1958-1959, three-quarters will be expended on the King's highway and secondary highway system and one-quarter will be distributed by our municipal branch. The motor vehicles branch, which has been part of The Department of Highways since the latter was organized in 1916, was transferred to the new Department of Transport as of July 1, 1957, so I will not deal with the report of estimates of this branch at this time.

Progress of the department 1957-1958

Before I outline our proposed 1958-1959 programme, I would like to review the work of the department in the fiscal year 1957-1958. We started off the year last April 1 with the largest appropriation and the most important programme of capital work in our

history. We accomplished what we set out to do to and—in some directions—a little bit more. Now we are prepared to carry out an even more extensive programme in the coming year as another step forward in our long-term plan.

Net expenditure in the current year is \$230,038,000 which closely approximates our estimate for the year. Of that total \$64,185,000 was expended in subsidies by our municipal roads branch and \$165,853,000 was the net expenditure on the King's highways system. However, actual total expenditure on the King's highway system was \$176,278,000 which was reduced to the net figure by refunds under the trans-Canada highway agreement and the St. Lawrence seaway.

For purposes of comparison the net estimated total expenditure, in the fiscal year 1958-1959, is \$252,844,000 of which \$68,935,000 will be paid in subsidies to municipalities. This leaves a net expenditure on account of King's highways of \$183,909,000. However, the actual cost of administration, construction and maintenance of the King's highways system will be \$198,909,000, which is reduced to the net figure by refunds estimated at \$15,000,000 which will be recoverable under the trans-Canada highway agreement and payments from the St. Lawrence seaway.

Contracts completed in 1957

Some 234 capital contracts were completed in 1957, including contracts covering 395 miles of paving, 93 structures and 420 miles of grading. The department also completed some 152 ordinary expenditure contracts for maintenance including 40.6 miles of resurfacing and 308 miles of surface treatment. Some of these completed contracts had been let in prior years, while others were awarded and completed in 1957. During 1957 the department awarded some 241 contracts for capital works, including 470 miles of grading, 337 miles of paving, and 82 structures. In addition, 155 ordinary expenditure contracts for maintenance work were awarded.

Contracts to a value of over \$30 million were let during the winter months in order to enable the successful bidders to plan ahead and get off to an early start with the opening of the construction year. This volume of winter tender calls, which was a few million only a few years ago, indicates how our planning and pre-engineering have been advanced.

While highway construction work still remains largely seasonal in character, the effect of winter tender calls has been that

contractors retain more staff over the winter months and get off to an earlier start in the spring. In addition, more winter work is being done on structures as the result of improved techniques. The net result is that there is substantially more winter employment in the highway construction industry than was possible before.

We have, as you know, a number of great projects in progress such as highway No. 401, the trans-Canada highway, the relocation of highways around the St. Lawrence seaway area, the Ottawa Queensway and last, but not least, the Burlington Beach skyway and the transformation of the Queen Elizabeth Way to a fully controlled-access highway. I intend to outline the progress that has been made on each of these major projects, but first I might give some of the highlights of our construction programme during 1957 by various regions throughout the province.

In the southwestern part of the province the 38 miles of the London by-pass section of highway No. 401 was officially opened to the public in May, 1957, and the paving contract for the Windsor entrance of the Windsor-Tilbury section of highway No. 401 was completed and will be officially opened early this year. Contracts were awarded for the grading and paving of Highway No. 20 for 7.2 miles up the Hamilton mountain from near Stoney Creek to the Lincoln county line.

In the central region two grading contracts were completed for 5.5 miles on highway No. 401 between highway No. 27 and highway No. 10, which enabled paving contracts to be called in 1957 ahead of schedule, and this paving will be completed in 1958. Two grading contracts were called for the 13 miles of highway No. 401 between highway No. 10 and highway No. 25, in addition to which there were 5 structures called. During 1958, work on this section will be going on for 19 miles west of highway No. 27.

The bridge over the Humber river at the west entrance of Toronto was completed and other contracts were called to complete the department section of this Toronto entrance in 1958.

Highway No. 11 was widened to 36 feet and 48 feet from Orillia to Washago and grading and paving were completed.

The first contract was let for the widening of the Queen Elizabeth Way to a 6-lane highway just west of Toronto as far as highway No. 27 to take care of the large volume of traffic using this highway. Good

progress was made on structures, grading and paving for interchanges at Kerr street, Oakville, and Mississauga road on the Queen Elizabeth Way.

Important structure contracts were called to accelerate completion of the trans-Canada highway between Waubaushe and Footes Bay.

I should repeat that these are only the highlights in our capital construction programme during the past year, and that a great deal of other capital and maintenance work has been done in each region which I mention.

In the eastern region along highway No. 401 grading was completed for 13.3 miles from Belleville, which enabled paving contracts to be called in 1957, and 4 asphalt paving contracts were called for some 24 miles to complete the paving of the Trenton and Belleville by-passes from highway No. 33 in the west to approximately Marysville in the east.

Late in the year two grading contracts were let for some 12.5 miles to extend highway No. 401 easterly from its present terminus near Newcastle.

In the Kingston district alone 13 structures on highway No. 401 were completed, including the Cataragui River bridge. The Kingston by-pass was paved from highway No. 38 to highway No. 15 and was officially opened to the public, while work was started on the east end of the by-pass between highway No. 15 and the Joyceville sideroad.

Adjacent to the St. Lawrence seaway 4 paving contracts were completed on highway No. 401, and early this summer will see the completion of relocated highway No. 2 to by-pass the proposed seaway flooded area from Iroquois to Cornwall, a distance of 39 miles.

I regret that my hon. friend from Stormont (Mr. Manley) is not here. I would like to remind him of his statement the other day in the House that we had done no work in his area. I am sure that many hon. members would be delighted to have one stretch of 39 miles of fine new highway in their constituency.

A grading contract for nearly 5 miles was called in the further expansion of the Bicroft uranium mines area and this was completed on scheduled time under the first contract with a liquidated damages clause.

In the north, 3 grading contracts were completed for approximately 26 miles and two paving contracts were completed on

the Quirke Lake road from highway No. 17 to the Elliot Lake townsite. This road was not even a trail 4 years ago, and we are told now that it is one of the busy highways of the province.

I am delighted to say that I followed with interest the service that was rendered the uranium mines during the winter. I inquired as to whether this road had ever been blocked during the winter, and was informed that it had not been at any time. Of course, this makes possible the transportation of these very heavy truckloads of sulphuric acid from Cutler to the mines at Quirke Lake and that the entire operation during the winter had been satisfactory.

Highway No. 11 from 10 miles east to 10 miles west of Smooth Rock Falls was paved and good progress was made on the large bridge over the Mattagami River at Smooth Rock Falls. While this bridge is being completed we have a large Bailey bridge in operation. Further south, the new location of highway No. 11 was completed and paved over some 13 miles from the Big East river north of Huntsville to Emsdale.

Along the trans-Canada highway in this region the principal work is to close the Gap north of the Agawa river to Marathon on which all clearing has been done and grading has been started. East from Marathon some 60 miles of the Gap has been completed to date, of which some will be ready for paving contract calls in 1958. The little Pic River bridge, which is one of the largest structures on the Ontario section of the trans-Canada highway, is now nearing completion. The grading and structures were called for the 3.5 miles of the Thessalon by-pass.

In the northwestern section of the province approximately 31 miles of the trans-Canada highway were completed and paved in 1957, while contracts were called for 31 miles of grading in the vicinity of Borups Corners, highway No. 105 and 6 miles east of the Manitoba boundary. Two paving contracts were called for approximately 29 miles to complete the paving of highway No. 120 from Atikokan to its start at highway No. 17. The initial contract was called on the Rainy Lake causeway, east of Fort Frances.

Maintenance operations

During 1957 maintenance operations were carried out on 8,681 miles of King's highways and 2,040 miles of secondary highways. This includes a large number of operations ranging from repairs and improvements on highway and road surfaces to bridge repairs, winter maintenance, safety measures—such as

zone painting, the installation of traffic signals, production and installation of signs and the planting of 150,000 trees and shrubs.

I think perhaps I should repeat that because we often receive complaints when we cut a tree down. I am not sure that everyone realizes that we plant a great many more trees than we cut, and so I say again, the planting of 150,000 trees and shrubs, seeding and maintenance of highway right-of-ways and the operation of weigh-scales to ensure that trucks are being operated in accordance with The Highway Traffic Act.

The work of winter maintenance is in itself a large operation to carry on over 12,400 miles of highway and roads including township roads and mining access roads, from which the cost of plowing is recovered by the department. This work involves the use of a large fleet of plows, trucks, graders, snow-blowers, tractors and power sand and salt spreaders, in order that the highways can be kept open for traffic regardless of weather conditions.

To take the place of sodding of highway right-of-ways the department has developed a hydraulic seeding-mulch blower method of seeding grass which is now being used extensively at a substantial saving.

Progress on highway No. 401

During 1957, a further 36 miles of highway No. 401 were put into operation and the total now opened to traffic is 175 miles. We have stepped up the work on this highway and another 50 miles should be completed in 1958 to relieve the critical sections of highways Nos. 2, 5, 7, and the Queen Elizabeth Way. The sections to be completed this year include the Windsor entrance, and from highway No. 27 to highway No. 10.

We are rather proud of the opening of this highway which we hope will be late in the summer. The highway will be opened in a period of less than two years from the time that the first contract was let, and we are proud of the speed with which this work is being completed. Then, too, we will also complete highway No. 401 from highway No. 30 to highway No. 33, highway No. 33 to the sideroad west of Marysville, and highway No. 15 to the Joyceville sideroad.

In addition to the work now in progress, we intend to call contracts for paving 23 miles of 4-lane divided highway which includes new sections from Gananoque to the Kingston by-pass, from Brighton to Marys-

ville and from highway No. 27 to highway No. 10. We will also pave 12 miles of two-lane highway east from Gananoque. We will start grading on 45 miles of dual-lane highway of which 33 miles are from Brighton to Port Hope, and 12 miles are from highway No. 25 to highway No. 6. We will also do 24 miles of two-lane grading in the Ottawa district as the first stage of construction where the full 4-lane highway is not as yet warranted.

In summary, we expect to call new contracts for paving or grading over 106 miles of highway No. 401 together with contracts for construction of some 44 structures. This, of course, is in addition to work that has been called during 1957 or within recent months and which is now under way. The new contracts to be called on highway No. 401 this year have an estimated value of \$25.4 million and our estimated expenditure will be \$22,800,000 as compared with an expenditure of \$17,800,000 in the year just ending.

Progress on the trans-Canada highway

Work along the 1,440 miles of the Ontario section of the trans-Canada highway is well up to schedule for completion by the end of 1960, as provided in our agreement with the federal government. The total cost of this work up to the end of 1960 is estimated at \$170 million, on most of which we will be reimbursed to the extent of 50 per cent. except for 136 miles of the section known as the Gap on which we will receive 90 per cent. from the federal government. By the end of this fiscal year we will have received a total of \$40 million, and expect to receive another \$14 million in 1958-1959.

"The Gap" consists of the section between the Agawa river, north of Sault Ste. Marie, and Marathon, a distance of 165 miles. By June, 1958, all grading contracts will have been awarded and it is also proposed to award paving contracts for 45 miles before the end of the year. This work is all through virgin country and many difficulties have had to be surmounted by our highway engineers. To date \$10,537,000 has been spent on the Gap, and another \$12,133,000 will be spent this year. Elsewhere the work consists essentially of bringing existing highways up to trans-Canada standards (or better where traffic demand so warrants) with construction on new location where a more direct route or a by-pass is warranted. Work on the by-passes at Carleton Place, Peterborough, Lindsay, Orillia, Coldwater, and Thessalon is included.

Proposed new contracts on the trans-Canada highway for the coming year include 314 miles of paving and grading and 36 structures. The expenditure proposed on these contracts, and on work carried forward from this year, is over \$28,000,000, an increase of some \$5,500,000 over the expenditure in the past year. This does not include work on the Ottawa Queensway which comes under a special construction agreement.

Ottawa Queensway

As I reported a year ago The Department of Highways has undertaken a joint responsibility for the construction of the Queensway section of the trans-Canada highway at Ottawa. This is a joint agreement with the federal government, the federal district commission and the city of Ottawa. The Queensway is a controlled-access highway which will pass through the centre of Ottawa and it will be completed in 4 stages.

Work was started during 1957, and during 1958-1959 we will call further contracts to an estimated value of \$3,700,000 on which estimated expenditures will be \$2,480,000. Under agreement the province will pay the usual 50 per cent. of the cost of the Queensway and the balance will be met by the federal government and the city of Ottawa.

St. Lawrence seaway project

The St. Lawrence seaway project has entailed the relocation of highway No. 2 for a distance of approximately 35 miles. At present 17 miles of highway No. 401 are paved and open to traffic from the new townsite of Iroquois to north of Aultsville and contracts have been awarded for the 15 miles of highway No. 2 between these two points.

This section of highway No. 401 is being used while the new section of highway No. 401, on the old railroad line, is being built. It is expected that all work on highway No. 2 will be completed by July 31, 1958. The Ontario Hydro Electric Power Commission has agreed to pay all costs of relocating highway No. 2 and half of the cost of connecting roads between highway No. 2 and highway No. 401. By the end of the current year we shall have received some \$5 million from the commission to pay for this work.

Burlington skyway bridge

The Burlington skyway bridge is now well advanced and should be completed by next September. The gap over the canal has been closed and while some work still remains to be done on the superstructure the main work to be done during the construction

season is the deck including the pavement, lighting and the balance of the work on the approaches. Expenditure on the skyway in 1958 will be \$3,300,000 as compared with \$7,400,000 in 1957-1958.

Queen Elizabeth Way

New work proposed for the Queen Elizabeth Way will continue the work already done to change this heavily travelled highway by securing full control of access which will increase the capacity, facilitate the flow of traffic and reduce accidents. New contracts to a value of \$3,400,000 will be called in 1958-1959 for interchanges, service roads and structures.

On the first section, as I mentioned before last year, we added a lane from the Humber river to highway No. 27, which became our first 6-lane highway in the province. It is really with a great deal of satisfaction that we observe the traffic on that 6-lane highway this year and note how nicely it is handled and how well behaved the traffic is.

Contracts

Now a word about contracts.

All of our capital construction on King's highways and secondary highways is done under contract with the department supplying most of the materials. Some of our maintenance work is done under contract, but the greater part is done by the district staffs under the direction of the district engineers. During the past year we have had most satisfactory relations with the large number of contractors upon whom we depend for the excellence and speed of the work on our major construction contracts.

As I reported in some detail a year ago, the department has introduced a series of revised or new procedures designed to ensure that the great volume of contract work will be handled in a most business-like manner, both from the standpoint of the individual contractor and the department. These new procedures have continued to work to the satisfaction of everyone during the past year and we see no reason why they will not continue to do so.

Only a little more than a year ago we introduced a "liquidated damage" clause in some of our contracts and this clause was applied to 30 capital contracts and 92 maintenance projects during the current year. Most of the capital contracts have yet to be completed, but on gravel contracts the general experience was that the work was done by the stipulated time and where the contractor failed to complete his work on

schedule we have collected damages. It is our intention to apply liquidated damages to more capital contracts and to all maintenance contracts in the coming year.

The qualification of contractors, which was announced a year ago, was given further study and introduced late last October. To date, some 18 qualified contracts have been awarded or have been announced and the results have been more than satisfactory both as to the number of tenders received and the bids on which the contracts have been awarded. Applications for ratings have been received from 130 contractors and an average of 11 bids have been received on the contracts containing the qualification clause which have been awarded to date. This compares with an average of 7 bids per contract for all other contracts awarded in the period from April 1, 1957 to January 31, 1958.

During the 1958 construction year all contracts on highway No. 401 and most projects of larger size will be awarded on the qualified basis.

I might perhaps offer a word of explanation concerning the number of bids on these two types of contracts. It is, of course, only the larger contracts that are awarded on the qualified basis and that is the reason, or may be the reason, for the greater number of bids on the qualified contracts than on those that were not qualified.

We have recently completed revising our "general conditions of the contract" which will become effective with the first contracts awarded in the fiscal year starting April 1. This revision will clarify various points for the mutual benefit of both the department and the contractors.

The public opening of tenders which is held each week is now attended by up to 60 contractors or their representatives which indicates a keen interest in the outcome of the current bidding. It is interesting to note that the general trend of contract unit prices has been down during 1957 and that the average is 14.2 per cent. lower than in 1956-1957, although it still remains 5.2 per cent. higher than 1955-1956. On the other hand the cost of major materials used in construction contracts and supplied by the department has increased during the past year, and it is estimated that the cost of these materials in 1958-1959 will be approximately 15 per cent. higher than similar materials purchased in 1955-1956.

That was the base year referred to by the "needs study" and that is the reason for making the comparisons with 1955 and 1956.

DHO staff

I would like to take this occasion to pay tribute to the excellent services rendered by the staff of the department under the direction of Mr. W. J. Fulton, our Deputy Minister, and senior officials of the department including the district engineers in each of our 18 districts throughout the province. The extremely high standard of our King's highway system is generally recognized not only by visitors to this province but also by other highway authorities. I believe that we have every reason to be proud of the organization that makes this possible. I might also add that Ontario is unique in the winter maintenance of our highways which permits their use in winter as well as in summer, frequently under most adverse weather conditions.

During 1957, we were able to secure more professional engineers and in February, 1958, we had 328 graduate engineers on our staff as compared with 272 a year ago. This improvement is partly due to the fact that we went to the British Isles late in 1956 in order to secure technically trained staff which was needed very badly at that time. In addition, there has been some relaxation in the general demand for Canadian engineers and we have been able to secure more recent graduates from engineering schools.

We have organized the training of new engineering personnel in order to give each man some experience in each phase of highway engineering. Within recent weeks we had 11 engineers taking this induction course. This is in addition to the numerous training courses which are conducted by the department and which were attended by 825 employees during the past year.

We are continuing to streamline our organization so that we can make the greatest possible use of the engineering skills that we now have. Where it is possible to relieve engineering personnel of administrative and other work which can be done equally well by others we are endeavouring to do so.

An example of this is the use that we are now making of electronic computers. This has included cut and fill computations and analysis of traffic data and equipment costs. Early this year we established a special section to handle this work which will be extended to other applications in the field of highway engineering and administration.

Capital construction programme

The proposed capital construction programme of the department for the fiscal year 1958-1959 entails an expenditure of

\$150,200,000 which compares with an estimated expenditure of \$132,200,000 in the year just ending and \$109,300,000 in the year ended March 31, 1957. Of the proposed expenditure, \$15,000,000 will be provided by recovery on work done under the trans-Canada highway agreement and on the St. Lawrence seaway project. Of the balance, \$77,700,000 will be provided by vote for construction and \$57,500,000 will come from highway construction account.

The increase in the value of work results principally from our effort to reduce the backlog of work on hand while at the same time we are pushing new projects to completion. The work consists of construction of roads and bridges, surveying and acquisition of rights-of-way, construction of district buildings and engineering.

The various projects which are now in progress and which are scheduled to start in 1958-1959 are shown in some detail in the "Capital programme for the King's highways and secondary highways for the fiscal year 1958-1959," a copy of which will be given to each hon. member. I might say that something new has been added this year in the district maps which show the location of proposed new work. I only wish that it were possible to show in addition the work that is actually in progress in each district as well as the work that has been completed in recent years. In every case it is a very substantial volume, I can assure hon. members.

Time does not permit me to go into details of this programme but I can state that for every new project there is good reason, and that the work that is now in progress, or is to be called in 1958-1959, fits into our long-term plan. I will refer only to the general outline of the programme and the major classifications of expenditure since I have dealt with our largest projects earlier in these remarks.

Very briefly, we will start the new year with work under contract or in progress to the amount of \$80,100,000. On this carry-over we will spend \$70,400,000 during the coming year. We will call tenders on new projects with an estimated value of \$134,325,000 on which we will spend \$78,275,000. Including contracts which will not be called until next winter, we expect to have a carry-over of \$65,750,000 at March 31, 1959.

If I may restate these figures in a different way, we will have work to a total value of \$214,425,000 in some stage of progress during the coming year, and of that

total we will pay for \$148,675,000, or nearly 70 per cent., as it is completed during the year.

Municipal roads

Now I would like to deal with some of the responsibilities of our municipal branch. Every municipal corporation in the province receives subsidy from the province on expenditures that are properly chargeable to road improvement. The rates of subsidy vary accordingly to the classification of the municipality and are set forth in The Highway Improvement Act, but the total of subsidy payments is very close to half of the total amount spent by more than 1,000 organized municipalities on the construction and maintenance of urban streets and rural municipal roads.

Of the total of 83,600 miles of highways, roads and streets in the province, some 60,000 are rural roads in organized municipalities, such as counties and townships, while over 7,900 miles are urban streets.

In order to estimate the total of municipal subsidies that the department may be called upon to authorize, it is necessary to estimate the reasonable requirements of the municipalities for normal construction and maintenance for the calendar year. Each of the organized municipalities is then given a separate allotment for construction and for maintenance work, and it is on the basis of these allotments, together with a provision for expenditures on special capital projects under supplemental by-laws, that our estimates of total subsidy payments are based.

During 1958, we estimate that the organized municipalities throughout the province will spend \$116,000,000 on the construction and maintenance of rural roads and urban streets, and that subsidies on that total to be administered by our municipal roads branch will total \$60,000,000.

We suggest to the municipalities that they do good construction work of a permanent nature rather than maintenance work of more temporary character when they set out to improve their road surfaces. This policy tends to greater economy in the long run and it is for this reason that subsidies for capital construction work now total \$37,000,000, or nearly two-thirds of the total subsidies to be paid in our new fiscal year.

In addition to municipal subsidies, assistance is provided to statute labour boards and groups of settlers in unorganized areas served by some 5,000 miles of road. Assistance may also be given on individual roads which are designated as development roads.

As in previous years, each hon. member will receive a copy of the municipal roads programme for 1958-1959, which shows for each municipality in the province the department's estimates of the reasonable requirements of the municipality, which is the only basis that we have for the amount of subsidy which may be paid. This programme is broken down by counties and territorial districts for ready reference.

In summary, we are asking for \$68,935,000 for municipal roads, of which \$60,000,000 is for subsidies to organized municipalities, \$7,500,000 is for development roads and \$1,400,000 is for assistance on roads in unincorporated areas.

Municipal needs study

During the past year the department has undertaken a study of rural roads and urban streets which are under municipal jurisdiction. This study is complementary to the report that has been made on the King's highways and secondary highways so that when the work is completed late this year we will have the fullest possible knowledge of all the highways, roads and streets in the province.

The municipal needs study is being carried out with the co-operation of the municipal authorities who are represented on two advisory committees—one dealing with urban needs and the other with rural needs. Out of this study we expect to secure an up-to-date report on both the existing and anticipated needs so that the Legislature and the municipalities can take whatever action is necessary. We also hope the report will stimulate long-term planning by counties and townships, cities and towns, because without such planning an adequate and economical road or street system cannot be developed.

As I have mentioned previously, the information that we already have on the King's highways and secondary highways is being kept up-to-date. This will be consolidated with the results of the municipal needs study and a full report should be available for consideration by the Legislature early in 1959.

I might add that we are also making special studies of the future highway needs of urban and suburban areas, which are expanding rapidly, while other studies are being made or are planned for areas where there is very low density of population. This has particularly to do with traffic.

Planning and constructing our provincial highways and municipal roads and streets to meet the constantly increasing traffic demands over the next 20 years is a job that requires a

great deal of engineering skill, judgment and foresight. It also requires an appreciation by the hon. members of this House of the importance of a modern and adequate system of highways to the future growth of this province.

We are now well started toward the achievement of our objective, and the estimates which I am prepared to discuss in some detail will provide for another year of planned effort on the part of the department for the benefit, convenience and increased safety of those who use our highways.

Hon. L. M. Frost (Prime Minister): Mr. Chairman, might I point out to the hon. members of the House that this year, The Department of Highways and The Department of Transport are separate and the hon. Minister is going to deal with transport when that order is called. That would avoid duplications in questions and answers.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Chairman, may I be permitted to make a few remarks of some general application rather than specific reference to any particular item?

At the outset, I think I should compliment the hon. Minister for his very personable and capable explanation of the roads programme for the next year. I think on the other hand, that it is the duty of the hon. members of the Opposition to probe the programme that has been enunciated to determine its soundness. In that spirit, I approach this particular subject.

Mr. Chairman, you will well recall that a year ago, considerable publicity attended the presentation of the estimates in this House. At that time, we were told that we had a new, elaborate, sound engineering-wise and sound financial-wise programme, for the next 20 years.

I was much surprised, therefore, when the hon. Minister told us a few minutes ago, that that programme devised in the best engineering manner, devised with the best scientific advice that could be obtained, can be speeded up to a point where within 10 years, we will carry out what we intended to do in 20 years.

Normally it is a good thing to speed up a programme. It is normally a complimentary thing to accomplish in 10 years what you planned to do in 20. But in this instance, I ask the hon. Minister whether it is a good thing, or whether it demonstrates, in graphic and realistic fashion, the exact criticism that the Opposition made a year ago, that the plan in effect, was nothing more than an elabora-

tion of the drawing boards of the department at that time.

Sure we know, basically, what roads we are going to extend. Sure we know, basically, what costs we are going to encounter in the repairs of our existing roads, and I suggest to the hon. Minister that the plan was nothing more than a demonstration on expensive paper, and in graphic form, of what has been on the boards in that department for some years past.

I ask the hon. Minister whether or not that plan was the one greatly acclaimed to be a super effort, on the part of the department, to once and for all allay the criticisms of hon. Opposition members, and those who feel that our programme is not a far-sighted one. Now we are told, after the elapse of one year, that this great plan had been so under-estimated that, by virtue of spending the amount of money that was spent last year and in the next ensuing 20 years—provided we relate that dollar to the then prevailing dollar—we will accomplish the programme in 10 years.

Now, I say the engineers in this department are good men; the planners are good men. They would not be out by 10 years. They knew very well last year that the programme would not take, or could not take 20 years—or in the alternative—they were telling us something that was not true. I cannot for one moment believe that they so under-estimated the work to be done; that they so under-estimated their planning, that they were out by 10 years on a 20-year programme, after the expiration of one year.

Now if this statement was made 9 years from now, or if the statement was made 10, or 11, or 12 years from now, I could accept it. But a year after the super plan is presented to this House, we are told, lo and behold, we can now accomplish everything that we intended to do, in 20 years, in 10 short years.

I know that this government feels it has accomplished the impossible many times, but I suggest that what it has done is that it has accomplished the impossible physically, it has done the impossible intellectually, because it is logically impossible that a capable, scientific man would sit down and say it is going to take me 20 years to do this, and a year later tell me it will only take 10.

That is one of my criticisms and for that reason I ask these specific questions:

Other than the extension of the existing roads, other than the repair of existing roads, what in the world are we going to do in

this next 20 years? How many roads comparable—I do not know the terminology—but comparable to highway No. 401 and the Queen Elizabeth Way and highway No. 400 are we going to build? Does the 20-year programme include a road to the north, of the nature of highway No. 401 and how far—to James Bay, Hudson Bay, or half-way there? Does it include a dual or multi-dual road between St. Godfrey's and Cornwall, a road north of the existing highway No. 401 at the present time?

These are the specific questions that the hon. members of the Opposition want to know, and in addition we want to know what progress has been made in respect to these specific undertakings.

Now then, the second criticism that I have of this programme is one of finance.

One will recall that the hon. Minister said that given the amount of money that he has at the present time he can undertake his programme very easily in the course of the next 20 years, now he says 10 years. I would remind hon. members at the present time, that he is receiving from the people of Ontario approximately \$145 million in the form of gasoline tax, motor vehicle licences and the like. In other words his department has an income of about \$145 million to \$150 million. On the other hand, the hon. Minister tells us that he is expending in the nature, last year, of \$230 million and the year thereafter, I think, \$252 million—therefore next year he will be \$100 million short of his goal, at least \$100 million short of his revenue.

What programme does he have over the next ensuing either 10, or 20 years? In this respect I hope it is 10. To finance this effort, we need highways—of course we need them—but surely to goodness this department now represents one-third of our total expenditures and increasingly represents not only more of our expenditures dollar-wise but actually encroaches more in our general revenue.

A department that is going into the hole at the rate of \$120 million next year should have some fiscal programme, should have some plan, as to how that indebtedness is going to be repaid. Does the hon. Minister expect that the increased number of motor vehicles in the next ensuing 10 years will be of such that the revenue of gasoline tax and motor vehicle licences will make up this difference and if not, how does he intend make it up?

It seems to me that these are the things that the people of Ontario want to know about. I, for one, feel that it is time that

we really seriously got down to the business of planning, in a long-range fashion, our physical development highway-wise.

Moreover, we should plan our fiscal programme to pay for that work in a realistic practical manner, because I frankly believe that 10 years from now, or even 20 years from now, we will be doing exactly what we are doing now.

By this I mean we are doing what appears necessary to everybody, without any relationship to how it is going to be paid, hoping to goodness that we are not going to hurt the motorist, or hurt the people's feelings, with respect to the sources of revenue that we are to tap, in an effort to pay for this programme.

In fact, we are being a little bit political about it, to the extent that we do not want to tell the whole story and be responsible for paying for the undertakings in the good things that we think we are going to do, that is build these highways we are overdoing.

But emphatically the government has a responsibility of saying how it is going to pay for them.

I say this government has no conception in the world what its revenue is going to be over the course of the next 20 years, related to the payment of the programme that it introduced as a mammoth super programme a year ago, and now says that it still is a super programme, but in terms of super government this will be accomplished within a matter of 10 years.

Hon. Mr. Frost: Super super programme.

Mr. Wintermeyer: Super super programme, that is what it is, and the more super it gets the less logical it gets. That is just about the size of it.

Mr. Chairman, the second point that I want to make is a little bit technical. I would ask or invite the assistance of the hon. Minister in its presentation.

The hon. Minister knows that I, on various occasions, have criticized the highway reserve fund. Now I am not going to direct a super super criticism of the highway reserve fund this afternoon, but I am going to ask this specific question.

The hon. Minister told us a few minutes ago that he spent \$230 million last year, now let him accept that. At least last year he told us, at the time he presented his estimates, that of that \$230 million he intended to spend, the government would receive \$20 million from the highway reserve fund, now let us accept that. In fact, I say—

Hon. Mr. Allan: Pardon me, I do not think I said that. No, was there not \$37.5 million already in that fund?

Mr. Wintermeyer: Well, all I have to do to establish my point is to refer to the 1958 estimates, that is the estimates of a year ago. Now on page 51: certainly vote 603, highway reserve accounts, was \$20 million.

Hon. Mr. Allan: That was putting it in.

Mr. Wintermeyer: Oh exactly, but that is very true, but that is the amount. The hon. Minister said the government was going to spend \$230 million. He sanctified his position by saying: "I did that, I said I was going to pay \$230 million, and in fact I did it."

Part of that proposition is related to the fact that the hon. Minister said a year ago the government was going to receive \$20 million from the highway reserve fund, in fact I say that the government received \$57.5 million from that same fund—at least that is what the hon. Provincial Treasurer said when he presented his budget a few weeks ago. On page A5 of that budgetary report hon. members will note that the capital receipts related to highway construction fund is shown as follows—and I do not want to bore hon. members with all the details—but it is \$37 million plus \$57 million, less \$37.5 million or a net of \$57.5 million expenditures as far as highways are concerned.

Now my simple question is this: where is the \$37 million? Did the department spend \$37.5 million more than the \$230 million the hon. Minister talks about or \$37.5 million less; or if the \$230 million includes everything, where in the world is the \$37 million that was anticipated for specific expenditure by the department?

Now I am not going to identify any further questions at this particular time, but in a specific way I would like this discussion to get under way with the answer to these several problems. I hope that the highway reserve problem will not be treated firstly, because I think that in terms of reality it is a technical problem. In terms of reality the big problems are these: what is the department's programme? Why is the department accomplishing in 10 years what it said it would take 20 years to do?

Is the department going to build any more "401's" between the great lakes and, say, Cornwall north of highway No. 401? What is going to be done about extending highway No. 400 into the northland and other major plans that the department has, and secondly what is going to be done about

financing this project—desirable and necessary as it is—in a manner that the people of Ontario feel responsible for?

Hon. Mr. Allan: Mr. Chairman, I must say that when the hon. member said I did not know what question the hon. members of the Opposition were going to raise, that was an understatement. If I take these questions, one at a time, I would refer my hon. friend to the plan that he refers to on page 49, which I hope he has read instead of putting on a shelf during the year. Table 7 at the right-hand corner says, province controlled routes, annual cost of the alternate programmes in thousands of dollars. Below that the catch-up period. An expenditure of \$183,433,000 will complete the programme in 10 years, an expenditure of \$153,618,000 will complete it in 15 years, an expenditure of \$136,922,000—this is King's highway expenditures—will complete it in 20 years.

Now there has been no change to the plan whatsoever. The only change has been in the amount of money that has been budgeted for the roads construction for the coming year. The thing that puzzles me, past all my possible imagination, is that when we prepared our programme this year, and it was a great one—Ontario is a big area and every area must be looked after reasonably—the question which arose, and which had to be decided upon as a result of the budget which was before us, and which indicated that if we spend the money in the rest of the province as we did last year—and the same amount that we did last year—we would have to remove from our programme sections of highway No. 401.

Well, realizing that the hon. member was at Kitchener and he wanted highway No. 401 built so badly, I went to the hon. Provincial Treasurer and he, recognizing the need as well, decided that we would spend more money.

There was a question of unemployment. There was a question of providing work, and highway No. 401, as we consider highway No. 401, is a very large undertaking. I think it is generally conceded that most of the money for highway No. 401 will need to be borrowed. We had the contractors in a position to do the work. The prices that were being bid were reasonably lower than they were last year, and especially having in mind the great desire of our hon. member to get a road to Kitchener, we increased the amount of money for our highway expenditure just to

please him and then he comes to me today and he says, "Why did you ever do that?"

Some hon. members: Shame.

Mr. R. Whicher (Bruce): That is nonsense, ridiculous nonsense. There is a lot of water in that milk.

Hon. Mr. Allan: I have not had any experience with water in milk. I really, and I say this quite sincerely, listened to the hon. member's mention of building a 4-lane road somewhere in the north. Now the very basis of this road study was to make a study of the traffic, and build roads that were adequate to handle the traffic and build them where they were needed.

Mr. Whicher: Before they were needed, or after?

Hon. Mr. Allan: I think some of them will be built after they are needed, because it is not possible to build them everywhere at the same time. I think my hon. friend can see this map from across the House, and he can see, or I can tell him, that green and the widths of the line indicate the amount of traffic. Now, is it reasonable to say that we will build our 4-lane highways in this area, on the basis of the amount of traffic that is there, and we will not build these roads here? Now I mean what would be the use of making a study if we were not going to pay any attention to the study after it has been made?

Mr. Wintermeyer: Where does the hon. Minister want the people to be 20 years from now?

Hon. Mr. Allan: Well, I am going to leave that. I am not going to undertake placing the people in the province. That is not part of The Department of Highways' duties.

Now, on highway construction, I listened to the hon. member say that our debt is increasing too much. We are borrowing too much money.

I am tempted to say what I intended to say tomorrow, possibly, but I attended the opening of a social centre in one of the local parishes on Sunday, and I thought how wise the reverend father was in that parish and I thought that it would be wonderful if some of our hon. friends on the opposite side could have heard what he said, speaking of that social centre.

He said: "Now, my people, I want to tell you one thing. I never want any one of you to ever mention the word 'debt' in connection with the amount of this expenditure that has

not been paid. I want you to recognize that it is an investment."

These roads are an investment.

Now, in connection with the highway construction account, there is nothing curious about that nor is there anything that cannot be understood. All that happens is, we do what is suggested we should do, and then when we do it, the hon. members of the Opposition complain about it. That is the part we cannot understand. They suggest to us that we should pay for some of our highways from current revenue, and so—

Mr. Wintermeyer: That is right, but in what proportion?

Hon. Mr. Allan: Well, it is right there. An amount of \$57.5 million was taken out of current revenue and placed in the highway construction account. That will be spent for capital work. Now it is as simple as that.

Mr. Wintermeyer: Well then, if it is as simple as that, how much is the hon. Minister going to spend next year? How much is the hon. Minister going to borrow next year, and how much is the hon. Minister going to pay from ordinary revenue?

Hon. Mr. Allan: I have already stated that we are going to spend \$57.5 million from the highway construction account next year.

Mr. Wintermeyer: Oh, that is highway, but over and above that the hon. Minister is still going to be in deficit. Now what portion over the 20 years? Is it 50 per cent. that the department is going to finance above?

Hon. Mr. Allan: The hon. member knows very well that the money is spent from the consolidated revenue fund, and that the revenue goes into the consolidated revenue fund—the amount that is paid off on debt.

Mr. Wintermeyer: I know that.

Hon. Mr. Allan: That is not required to pay off debt.

Mr. Wintermeyer: It is not done in a deliberate fashion.

Hon. Mr. Allan: Certainly it is.

Hon. Mr. Frost: May I say to my hon. friend that he ought to look at the record of the past 15 years. Sixty-six per cent. has been paid in cash. My hon. friend ought to be well pleased with a record like that.

Mr. Wintermeyer: And next year, 33 per cent.

Hon. Mr. Allan: We are modest. We speak only of our deeds—what we have done.

Hon. G. H. Dunbar (Provincial Secretary): Be careful, the hon. member for Bruce has got another book to see how much water he is putting in the milk up there.

Mr. Whicher: Mr. Chairman, I might say that I am not going to be quite so lenient in my remarks as the hon. member for Waterloo North, because when he started his remarks this afternoon, he at least acknowledged to the hon. Minister of Highways that there was a plan, a 20-year plan. As far as I am concerned, there is no plan whatsoever.

May I tell the hon. Minister of Highways that I have read this manuscript with just ordinary printing, of course, the same as anything else with pictures of cars and trucks, and some of it coloured green, some black, and so forth.

I have read it from cover to cover, and I am quite willing to acknowledge this, that it is a plan to this extent. It is a plan of the present. It tells us about the population of the province of Ontario.

Now obviously we need better highways where there is a large population, and where there is more traffic, and in the northern areas we do not need so many roads. It explains that, when we have a great amount of traffic, we need thicker road beds, and in other places we do not need anything at all except a little bit of gravel.

As regards a future plan of the highways of the province of Ontario, I defy the hon. Minister to tell me, in any page in this book, where the future highways of this province are going. That information simply is not there, and as far as I am concerned this manuscript was simply an answer to the hon. leader of the Opposition (Mr. Oliver)—an attempted answer to the criticism that he has given for many years, asking this province to tell us where the roads of the future are going to be laid.

I remember when I brought this matter up last year, the hon. Minister of Highways said that it was impossible to say where the highways were going to be, for this reason that immediately one said a highway was going through a certain area, land values increased, and because such needed land had to be bought by The Department of Highways, why of course, we would not be able to afford it.

May I point out to the hon. Minister, in his estimates today, in this the capital programme for the fiscal year 1958-1959, that he has said—I only picked out two instances—

there is going to be an acquisition of land for highway work. Now this land has not been purchased at the present time, and I suggest this to him, that it is just as easy to put it down in a book that you are going to acquire land 5 years from now, as it is next summer, because the land value is going to go up between now and next summer—

Hon. Mr. Allan: May I ask my hon. friend a question?

Mr. Whicher: Yes.

Hon. Mr. Allan: I do not think the hon. member intends to be unreasonable.

Mr. Whicher: Not the least bit.

Hon. Mr. Allan: I think my hon. friend knows that when we proceed to buy land along a highway, we file a plan on that highway and that those people who have land there are anxious that the operation be carried out quickly, from the time it is undertaken until the time it is finished.

Now I think I should correct the impression the hon. member may have created when he said that I said, last year, that if we were to state the definite location of roads that were to be taken over, it would provide an opportunity for land speculation. That is very true, and it has been the experience within our department, that some persons have a great faculty for being able to sense where a road is going to go.

Mr. Whicher: May I ask a question.

Hon. Mr. Allan: Now, just wait a minute. The statement that I made was that we did not want to definitely pinpoint the route of that road.

Now, in this plan which the hon. member says he cannot understand, we thought that he could really read the pictures, if he could not understand the—

Mr. Whicher: That is one of the hon. Minister's brighter remarks.

Hon. Mr. Allan: The hon. member for Stormont (Mr. Manley), the other day, pointed out that we had said we were going to build a road because there is a road from Stormont in the northerly direction, and there has been no indication of where that road will be, which particular route it will follow.

In areas where it was indicated that there should be additions, proposed roads are marked on that map.

Mr. Whicher: How will I answer that question? I just want to say this, that when

the hon Minister says there is speculation in land values, I point out and not the least bit unreasonably, there is no more speculation in land values, if he will tell us where those roads are going to be over a 10-year period, than there will be in the next 6-month period, for example, in my own area.

Hon. Mr. Allan: Will the hon. member tell me any advantage in stating that something is going to be done 5 years from now?

Mr. Whicher: Absolutely, there is an advantage.

Hon. Mr. Allan: What is the advantage?

Mr. Whicher: There is a great advantage. Now just one minute. The hon. Minister has said that in the Owen Sound area, he is going to acquire property from Miller Lake southerly up for 7.8 miles, and in the Stratford division, he has said that from Thamesford northerly he is going to acquire 5 miles. The speculation on that road will start as soon as this hits the streets.

Hon. Mr. Allan: It is not in a position to start.

Mr. Whicher: It is not in a position! Why not?

Hon. Mr. Allan: Well, because we have arranged that it is not.

Mr. Whicher: Well, I want to know why. It certainly is not in the plan.

He has also said that from Galt westerly he is going to acquire 10 miles. Well now, if he is going to acquire that road from Miller Lake south, then last year he knew he was going to do it. Regarding this plan, which is supposed to tell us what is to be done for 20 years, obviously the hon. Minister knew last year he was going to purchase that land, because according to a 20-year plan, he is supposed to know what land he is going to purchase for the next 20 years. What we want to know is this. Why does he not let us know?

Hon. Mr. Allan: Why does the hon. member want to know? Does he want to buy some of the land?

Mr. Whicher: I do not want to buy any of the land at all, but I will tell what I want to do.

An hon. member: He is putting the water in the milk.

Mr. Whicher: The thing that is going to develop this province, more than anything

else, is a system of modern highways criss-crossing this province. It is a system of modern highways not put there after the population has already arrived, like we have in the city of Toronto, and he is surrounding the city and putting beautiful highways in here which is only going to bring more people here. What we need is a plan that tells us where roads are going to go in the outlying localities and areas of this province, so that some of the people will know that, if they move to the town of Chesley, or the town of Thamesford, or wherever it might be, in a year or so there is going to be a good road there.

Now we know, under this programme, that there is not going to be one, because in many of the areas of this province, they have not had good roads and we do not know if there is going to be one or not.

Surely, if he has a 20-year plan, this plan which he is so proud of, and he knows where these roads are going to be, why does he not tell us right now?

Hon. Mr. Frost: Why does my hon. friend not look at this blue book? It will tell him all about it for this year.

Mr. Whicher: Yes, I know when I did look at it and I have already done so, but the situation is simply this. He has not—

Hon. Mr. Frost: Is the hon. member not getting a pretty square deal up in his part of the country?

Mr. Whicher: They have not got a plan. I will tell them that they will not make it any squarer than they have to.

Hon. Mr. Frost: Oh yes, we will. I would say to the hon. leader of the Opposition he has had quite a lot of work done up there.

Mr. Oliver: Who? Me? Heavens, I will have to look into that.

Mr. Whicher: The people in my area, in the Bruce Peninsula, have had people up there spending thousands and thousands of dollars. They have been making surveys for the past 10 years. Everybody knows that sooner or later there is going to be a road go through there. Now if the hon. Minister had a plan, why did he not say so?

Hon. Mr. Allan: Well, we have the plan, we are getting ready to build a road in the hon. member's area. Is he opposed to it?

Mr. Whicher: No, I certainly am not.

Mr. Nixon: Is the hon. Minister going to start this afternoon?

Mr. Whicher: Maybe they have already started. The only thing he has put in here are the costs, and what he is going to build the roads of when the time comes. What we want to know is where the roads are going to be, and I think the people of this province should know.

Hon. Mr. Allan: Mr. Chairman, I think the hon. member is reasonable enough to understand that, with a road programme such as we have, with some of the problems we have had when there was a shortage of skilled staff, that we are doing very well—we consider so—to do enough engineering and study to prepare a programme such as we are presenting today. We are very proud to be able to do that.

Now, would the hon. member rather, instead of coming along with this programme, really building roads—last year we had a certain amount of money budgeted, we spent it, we did not over-spend it—would he rather that we start a study where we would build roads for the next 20 years than not build any?

Mr. Oliver: No—

Mr. Whicher: Mr. Chairman, may I say this, like my colleague from Waterloo North (Mr. Wintermeyer), that as far as this programme is concerned, we have not had time to study it at all, and I have every reason to expect that it is a very fine programme as far as this year is concerned. Obviously, the hon. Minister can do only so much paving, build only so many roads with so much money.

But the situation is this: There are engineers in the department who obviously know where the roads are going to be 5 years from now, they are drawing plans on the boards all the time, and in the hon. Minister's address this afternoon he said he had been successful in getting more engineers in the department.

Now then, if he has more engineers, I suggest that he let us know where these roads are going to be. It is the only way that we will have any type of decentralization in the province, the only way. We have to have roads, and unless the hon. Minister tells us where they are going to be, the people do not know where to go, because obviously they are not going to go to "Hayfork Centre" where there are no roads at all, they will stay down in the metropolitan area.

Let us know where the roads are, and that is one way, if he believes in decentralization—

Hon. Mr. Allan: But I wonder if the people would go up to the area of the hon. member?

Mr. Whicher: Well, I do not know. The hon. Minister was there last year but he did not call on me.

Hon. Mr. Allan: The hon. member was away.

Mr. Whicher: I was not away. The hon. Minister was in good company, I might say.

Hon. Mr. Allan: I was with the members of the Bruce county council.

Mr. Whicher: I know, I know all about that. I know what has happened in Bruce county with these development roads and all that sort of thing.

Hon. Mr. Frost: Are not development roads a great thing?

Mr. Whicher: It was a small thing perhaps when the hon. member for York South (Mr. MacDonald) brings out that wreaths are given on Armistice Day by defeated Conservative members, but when we have development roads that are announced by defeated Conservative members, when we have development roads that are announced by federal Conservative members, I think that is going pretty far, pretty far indeed.

I want to conclude by simply saying this, surely every hon. member in this House believes that some form of decentralization should take place. Obviously we cannot shove industry out in the country. But by giving them roads they will at least have more likelihood of moving out than they will at the present time.

The hon. Minister cannot build the roads today, he can build only one year's programme at one time, but he can tell us where he intends to build them 5 years from now. Surely it is a legitimate request. Any plan that just tells how to build highways and how much they are going to cost, without telling where they are going to go, is simply no good.

Hon. Mr. Frost: As hon. members know, experience is a great teacher. If the hon. Minister were to say to the people of some riding: "Now we are going to build this road, but it is going to be 5 years from now," I guess the hon. member for Bruce would be down about the next week to say: "We are not going to get a road for 5 years, but the people south of here are going to get one 3 years from now."

Now I ask the hon. member, does he recollect the great speech the hon. leader of the Opposition made on highway No. 401? He said highway No. 401 is not going to be completed for 20 years.

Hon. Mr. Allan: I tried to please them.

Hon. Mr. Frost: That is right. When we double it up and it is cut in two, the hon. member for Waterloo North is dissatisfied with that. I point out it is very difficult to satisfy the hon. members opposite.

Regarding the amount of money we are spending, last year at this time they talked about tight money and sound money. There is a great difference between tight money and sound money, according to these economists, but no difference that ordinary human beings can find. The hon. member for Waterloo North ought to recognize that, since we discussed this a year ago, there has been a change in policy, tight money or sound money has become easier money for people, and it has been possible for us to give greater employment. Our policy is one of development, stimulating employment, opening up this province, extending roads to the most remote parts.

I say to the hon. member for Waterloo North that it was an awful statement for him to make—surely he did not mean it—when he said we are "going into the hole" building roads. I agree with that parish priest who said he did not want to hear the talk about the debt on that parish hall, that it was an investment. The building of these great roads, revenue-producing assets, is a great asset for this province. That is not going into the hole. I would like him to cheer up and smile about these things.

Mr. Wintermeyer: Now, Mr. Chairman, of course the hon. Prime Minister rises in this fashion and picks at specific statements that were made, but is the hon. Prime Minister in favour of deficits in financing as far as the roads are concerned?

Hon. Mr. Frost: Well, I do not count that a deficit in financing.

Mr. Wintermeyer: Oh, now listen.

Hon. Mr. Frost: It is an investment.

Mr. Wintermeyer: Surely this House has not reduced itself to a point where logic no longer prevails. What the hon. Prime Minister is saying is, of course, that there is no rhyme nor reason to payment of obligations. Some day he has to pay for this, and how is he going to do it? What is his plan?

He has none. He is married to one political philosophy, as I said the other day, and that is the simple elementary fact that most people do not interest themselves in responsible financial policies because they do not care particularly.

But he is a responsible man, and yet he gets himself into the position where he knows that spending is all important, that the responsibility of how one is going to pay for a programme is unimportant politically.

But it is important, as far as the people of this province are concerned. They have put their trust in the hon. Prime Minister, they think he is a good administrator.

There is the hon. member for Wentworth (Mr. Child) pounding his desk; he works for the great Steel Company of Canada, I understand. What would happen if they undertook a programme, not knowing where the revenue to pay for the programme came? They would be thrown out of their directorate within a matter of hours. Yet the hon. Prime Minister of Ontario rises before this House, saying: "All I am interested in is development, all I am interested in is building roads." He is not interested in how they are paid for, he does not care. Somebody else will take care of that afterwards.

Well, I would say somebody else has to take care of it, of course.

Mr. G. C. Wardrope (Port Arthur): Did the hon. member ever try to get a new road? See if the people care whether he has the money or not.

Mr. Wintermeyer: As the hon. member for Bruce said—

Hon. Mr. Allan: We are not told of those things.

Mr. Wintermeyer: Oh, he is not? Let the hon. Minister go and try to get one.

Hon. Mr. Allan: The hon. member knows more about that than I do.

Mr. Wintermeyer: Mr. Chairman, in all fairness, the hon. Minister has appeared on our local television station, he has appeared before several local county roads groups, he has been invited innumerable times, and they begged on each occasion for an exact elaboration of when the road will go through.

Mr. Chairman, in all fairness I say to you today that the people of the district originally anticipated that road would be built by now, and they had every reason to think so. And they are slightly disappointed, now that the

hon. Minister suggests that it will be several years before the programme is complete.

Now I am not going to say 10 years, I think those are the words used at one time which caused great consternation in the district. In terms of the over-all programme I think those are the words used.

But what I am concerned about is this: Surely to goodness we have not reduced ourselves to a status in this House where logic bears no resemblance to debate.

I would suppose if the hon. Prime Minister rose and told me that he was desirous of building a road to the moon, there might be some justification in terms of idealism. But my goodness, in terms of logic, in terms of reality, there is not, and likewise I say that his statement that he is not interested in how the roads are paid for, all he is interested in is developing them, is certainly illogical.

I am surprised that a person of his responsibility would take advantage of the obvious opportunity that he has in challenging me in this respect.

I am asking the hon. Prime Minister to be responsible for his actions in a financial respect, and I tell him right now, that he does not know, and no hon. member over there knows, how he is going to pay for either his 10-, 15- or 20-year programme. All he is going to do is hope to goodness that the people of Ontario will be generous to him. But as far as leading them, and directing them are concerned, he will make no effort, because it is as obvious as 1 and 1 are 2, that it is not politically good, expedient, or desirable to enforce the responsibility of a roads programme on people. Better by far to build them and leave the responsibility to somebody else, and that is all he is doing.

Hon. Mr. Frost: Mr. Chairman, if in the few and adequate words that I am going to address to the hon member, I can correct his point of view, I will indeed count it as a great achievement.

I would point out to the hon. member that I did answer his question before, but I am going to endeavour to answer it again in a few words.

He asked if logic has a part in debate. Yes, I say very strongly and I underline it, that it has a great part in debate.

The second thing is this, the hon. member uses this expression that we are financing here on the basis that we hope to goodness things come out all right in the end, I think that is his statement.

The great trouble with the hon. member for Waterloo North is that he has been brought

up in that hope-to-goodness environment. That is the trouble with him. He has been reared as a member of his party, and as the supporter of a government which has been reared in that atmosphere.

Now let me give him, just by way of explanation, these two very understandable examples of logic in debate, and I would say logic in action.

First, the government that he supported, the fragment of which still remains in the front benches there after many years, the fragment of that party that he supports and the fragment of the government that was in power here for 9 years, in their day built \$196 million of public works, a trifle more.

In round figures, for the purposes of easy explanation, they did \$196 million of work, and they charged the whole works to debt, every bit of it.

Now, that is the atmosphere that the hon. member was brought up in. That is where the hope-to-goodness attitude comes from, that the hon. member speaks of.

Here is where logic counts. I am speaking not only of logic in debate, because it is not a question of logic in what we say, it is the logic in what we do.

Mr. Chairman, this government has spent \$1,000 million in public works, one of the great assets that this province has, and instead of charging \$1,000 million to debt, we have paid, in hard cash, \$667 million. We charged about a third, some \$300 million, to debt; and I would say to the hon. member that we have set up adequate sinking funds to provide for the retirement or payment of that debt.

This was a mighty programme, which must cheer the hearts of the hon. members of this House, if not the Opposition. They live in an atmosphere, as I say, of encircling gloom, as is evidenced by their talk about going into the hole.

When we spend \$1,000 million, and pay right out of our pocket \$667 million, I would say to the hon. member opposite that is a great record, and that it has logic in action. That is my answer to the hon. member.

Mr. Whicher: Mr. Chairman, of course, that was supposed to be the final speech. The hands came out and we were in great style there.

But I want to remind the hon. Prime Minister that the halo he had over his head last night at the press dinner is not over him now, as far as we are concerned, and if I had my way I would tear it right off, it has no right to be there at any time, even at a press gallery dinner.

Mr. Chairman: Order, order. The hon. member is supposed to be speaking about the estimates.

Mr. Whicher: I was speaking about the estimates.

Mr. Chairman: The hon. member was not. He was talking about last night.

Mr. Whicher: The hon. Prime Minister talks about the great works this government has done, and about the fact that they have spent \$1,000 million on public works which they have given to the people.

I have said this before, and I remind him once more, that every nickel of that \$1,000 million was taken away first from the taxpayers of this province, every nickel of it, and the hon. Prime Minister did not give them anything. They gave the money to him, that is what happened.

Mr. Child: Is the hon. member just finding that out?

Hon. Mr. Dunbar: Who gave the federal government their money?

Mr. Whicher: I did not hear the hon. member for Wentworth talking so much when the hon. member for Waterloo North asked him what the Steel Company of Canada was doing. Hon. members should read what the personnel manager of that plant, in his speech the other day, said about the deficit financing around this place.

Mr. Child: I told them I have news for the hon. member. I do not work for the Steel Company.

Mr. Whicher: If the hon. member for Wentworth had told me he does not work, it would not be news.

Mr. Chairman, I wanted to say this, that the hon. Prime Minister says that to retire this capital debt that they have, they have adequate sinking funds. Well, I would like to know just what those adequate sinking funds are. How much money is he paying off on this every year? Is it right that he pays two-thirds one year and then this year he is going to pay one-third and next year he does not know how much he is going to pay?

I suggest that if he really wants to do his duty to the people of the province of Ontario, he will tell them how much he is going to pay off every year, how much he is going to spend every year, within reason.

Inasmuch as the hon. Minister of Highways has said that this plan is completely out of date now, and that they are going to throw it aside, and do in 10 years what—

Hon. Mr. Allan: Let us be fair.

Mr. Whicher: Inasmuch as he said it is completely out of date, what about giving us a new one? Let him tell us where the highways of Ontario are going to be at least 10 years from now.

Vote 601 agreed to.

On vote 602:

Mr. MacDonald: Mr. Chairman, I think the point I wanted to raise might come under item No. 4. I listened with great interest this afternoon to our 20-year plan, ranging all across the province, and I want to narrow the attention of the House for a moment to one little area, and one little project.

Last fall I happened to be visiting northern Ontario—

Mr. Wardrobe: Oh, no.

Mr. MacDonald: Yes, not too far from the hon. member's spot, either.

Mr. Wardrobe: Let the hon. member stay out of there.

Mr. MacDonald: Well, we went in and did a bit of a job in his area last June, and we will maybe clean it up sometime too.

Mr. Wardrobe: That is what he thinks. We will clean him up.

Mr. MacDonald: I spent a little time in the town of Hornpayne. Now, we hear about places that are getting 4-lane highways, and so on, but Hornpayne has no road at all. No road at all, only the railroad connection.

Hon. Mr. Frost: Where is that—Hornpayne?

Mr. MacDonald: Where is Hornepayne? I will address that question to the people of the town the next time. I will quote it out of *Hansard*: "Where is Hornepayne?" asks the hon. Prime Minister.

In fact right in their little local paper of last November 17—

Hon. Mr. Frost: What I said, is: "Is he referring to Hornpayne?" He asked: "Where is it?"

Mr. MacDonald: The hon. Prime Minister said: "Where is it?" Last November 17—

Hon. Mr. Frost: No, I did not.

Mr. Whicher: Yes, he did.

Hon. Mr. Frost: Well, I did not mean it.

Mr. MacDonald: He has to talk quickly to cover that one up. On last November 17—

Hon. Mr. Frost: What I meant to say—

Mr. MacDonald: Oh, he meant what he said.

Hon. Mr. Frost: What I meant to say was "Is he referring to Hornepayne?"

Mr. MacDonald: Now, what did he think I was referring to—Whiskey Gap, Saskatchewan, or what? I said Hornepayne.

Hon. Mr. Frost: Oh, all right.

Mr. MacDonald: Now let us get back to the road problem in Hornepayne because this is a very interesting story.

Mr. Wardrobe: Tell the hon. Prime Minister where it is.

Mr. MacDonald: Hornepayne started to get its roads, or rather, started to get promises of its roads, about 30 or 40 years ago, back when there were other Conservative governments, as a matter of fact.

Hon. Mr. Frost: The people who do it are ourselves. We are building the roads though.

Mr. MacDonald: They may have to do it themselves if they are ever to get the roads.

Mr. Wardrobe: Let the hon. member come on, and I will talk afterwards.

Mr. MacDonald: It is a little out of his territory.

Mr. Wardrobe: The station platform, remember. The hon. member for York South has never been any farther.

Mr. MacDonald: I will just tell the hon. member how wrong he is on that. Back in 1927, they first started to build a road out of Hornepayne, south towards White River. They went out about 5 miles into the bush, and it stopped there, and for 30 years the good people of Hornepayne have been driving out to this dead end in the bush and coming back. I do not remember whether it is lovers' lane or what it is, but at least they have had this 5 miles out to nowhere.

Then in 1932 they started to build a second road out of Hornepayne, northeast towards Hearst. They went out about 12 miles this time, and came to an end. The latter end of this road is used only by foresters, but as a public road, it runs only about 6 or 7 miles. For 25 years they have been driving out to this dead-end in the bush, and coming back.

Then about 4 or 5 years ago this government, with its scattering broadcast of promises across the province—

Mr. Wardrope: That area is not built.

Mr. MacDonald: The hon. Prime Minister made a promise that they were going to build a road into Hornepayne. Last fall, after 4 years, they had built only 9 miles. As a matter of fact, in 1956 they built only 4 miles of this road, and the excuse given was that it was a very wet season.

This past year we had a pretty dry season; it was a good construction season, and as a result, do hon. members know how much they built? They built one mile last year. In all they have built 9 miles, out into the bush. I want to suggest to you, Mr. Chairman, that this little venture is not a serious road project at all. It is a little local pork barrel—a little local pork barrel in which friends of the Conservative party, who have trucks, are playing around while the people are indignantly waiting for the road!

They have a right to get indignant, because, Mr. Chairman, the astounding thing about Hornepayne is this: they have 1,700 population, and yet are without a single road to get out—they have to put their automobile on a flat car and take it out until they get to the highway at Longlac—they have 500 cars registered in Hornepayne.

In other words, they have as many cars per capita as they have in the rest of the province, although they cannot drive them anywhere, except into the dead ends in the bush.

What this government has done is to lead the people of Hornepayne out into the muskeg and leave them bogged down there.

There are two questions I want to ask. I have looked with great care for the Hornepayne road among the projects listed in the department's programme for this year, and I cannot find it.

I have here a letter from the hon. Prime Minister, dated last November 7, after the indignation had reached a peak in Hornepayne, and letters of protest had been addressed to him. The hon. Prime Minister wrote, pacifying them, and in his suave way, assured them that work on the road would be stepped up. Yet, here is the programme for next year, and it is not in there.

Hon. Mr. Frost: Sure enough.

Mr. MacDonald: Is it in there?

Hon. Mr. Frost: Sure enough.

Mr. MacDonald: Well, we will let the hon. Minister explain, but the two questions I want to ask the hon. Minister are these:

In the 4 years of toying with this project—because I repeat, it has been just a little local pork barrel, not a highway project—in the 4 years of playing around with these 9 miles, how much money has been spent?

My second question is: What is the government's programme for completing this road?

Mr. Whicher: It is like the 20-year plan they have not got there.

Hon. Mr. Allan: Mr. Chairman, I think the interest of the hon. member of the people from Hornepayne is certainly warranted. They have for years lived on this railroad section, and I am glad that the hon. member has the milk of human kindness in his veins.

Mr. MacDonald: I spent 36 hours there. I learned a lot.

Hon. Mr. Allan: May I say to the hon. member that he can cease to worry about the welfare of the people of Hornepayne. The reason it is not in the programme is that this was undertaken by the mining and access roads committee, and financed out of the mining and access roads fund, which is a small grant, and it was only possible to have have a small amount of money each year.

But we too are interested in the people of Hornepayne, and last fall the staff of the Ontario Department of Highways, who paved in that section last year some 72 miles of highway with their own equipment, began at highway No. 11 and are working now toward Hornepayne. They have been working there all winter, and we will have the road into Hornepayne before the fall, and I hope that the hon. member will be one of those who will go up and use it.

Mr. MacDonald: What about the other question now? How much money has been spent in 4 years in building 9 miles?

Hon. Mr. Allan: Not very much, but I think the hon. member understands that I do not have the figures here.

Mr. MacDonald: The people up there are inconvenienced. What has been going on is \$40,000 or \$50,000 or \$60,000 a mile for what the pulp and paper companies built for \$10,000 or \$15,000.

Hon. Mr. Allan: The weakness has been that there was not sufficient money to do a job, and at the same time the fact that this

time we are working from highway No. 11, where we can get plenty of equipment. The difficulty before was that the equipment had to be shipped in on flat cars, and it was not available quickly.

Mr. MacDonald: If the hon. Minister would go up and watch how they work—

Hon. Mr. Allan: I am going up there to go fishing. They say they have wonderful fishing in that area.

Mr. MacDonald: Sure they have.

Mr. Wardrobe: Mr. Chairman might I be entitled to say a few words, seeing this is my riding. When the hon. leader of the CCF makes a remark like he has made this afternoon, it certainly brings home to me quite forcibly that old saying that "where ignorance is bliss it is folly to be wise." The only thing he knows about that road is what some of his CCF friends told him from the station platform.

Mr. MacDonald: I drove over every mile of it.

Mr. Wardrobe: Now let me tell the hon. members something about the roads in that district. The Nakina-Geraldton road is completed, the Black Sturgeon road—120 miles—to Armstrong, another point in that area, will be completed at the end of this summer. The Seagram-Caramat road is completed. The only place left in that whole area where people cannot get out to a main highway is Hornepayne, the place that the hon. member is talking about.

Now 4 years ago a contract was let to Mr. Kouvan. He did considerable work but unfortunately he was killed by a bulldozer, which stopped the work, and the bonding company had to take over which caused further delay to the road the hon. member is talking about.

Now, let the hon. member for York South get information aright, because he never does. This road originally was a lumber company road which was built years ago. The government had nothing to do with it. Now our government has taken over the lumber company road that goes over to highway No. 11 from Hornepayne. The hon. member should go up there and get his facts straight.

Mr. MacDonald: I have my facts straight.

Mr. Wardrobe: Now then, regarding this Hornepayne road. When he says there are 9 miles built, it shows his ignorance. The fact is there are 10 miles built from the north end, 10 miles from the south end going

north, and there is not a great deal of road to be finished in the middle.

Let the hon. member now wait until I tell him more. That road will be completed at the end of this summer. I was at Hornepayne last Saturday night, and I talked to people there, and they are very well pleased with the progress made on that road, and he will find that out in a tangible way when the vote is counted on March 31.

Mr. MacDonald: May I ask a question?

Mr. Wardrobe: Do not get up and talk, just sit down.

When the hon. member gets up and spouts in this House he talks about things in the north he knows nothing about. He has been there on the train, and has gone right through, and let him not forget he is now a little fearful of coming up there, he knows from certain things he has said that he is not too welcome.

When he makes statements like he has made today for *Hansard* record, and the press, nobody in the north appreciates it, and he is not telling the truth or the facts, he is making statements that he thinks might be handy to use up in that area at election time.

This government has done a tremendous job, and the people are very well satisfied, and when that Hornepayne road is finished the people of every one of those towns in the north line of the Canadian National Railways, who have never had a road since that railroad was built, will have access roads out to main highways—even Pickle Crow, the mine farthest north in that whole area.

By the end of this summer they will have an outlet to the city of New York, yet the hon. member says nothing has been done there. Let him go up there and spend some time, if anybody will have him, and look around and get some information that is helpful and worthwhile.

Mr. MacDonald: May I ask the hon. gentleman a question?

Mr. Wardrobe: He certainly can.

Mr. MacDonald: Is Hornepayne in his riding?

Mr. Wardrobe: Federally it is. Provincially it is not.

Mr. MacDonald: A-ha, a-ha. I just wanted to correct this little point—

Mr. Wardrobe: Well, I consider federally it is my riding too.

Mr. MacDonald: Oh yes? It is not.

Mr. Wardrope: Absolutely, because there is an Opposition member there. Naturally, it is.

Mr. Whicher: Mr. Chairman, I would like to ask the hon. Minister about item No. 2: the matter of \$2.8 million for repaving present roads. Now this vote has decreased in the last two years, and inasmuch as most of them have increased, I would like to have some explanation.

Hon. Mr. Allan: The decrease in this vote is in line with our general policy. We have been trying to influence municipalities, particularly rural municipalities, to make sure that there is a good foundation before there is a top put on a road. And with that in mind, we are taking a great deal more care with our policy of resurfacing than we had formerly.

For instance, before a road is resurfaced, soil tests are made to be sure that the surface will stand, and as a result of these tests, some roads that it was intended to resurface are being rebuilt instead.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, on the subsidies to the different municipalities, we know that the road subsidies to the cities is $33\frac{1}{3}$ per cent. and then on townships it is $33\frac{1}{3}$ per cent. to 80 per cent.

Hon. Mr. Allan: No, 50 per cent.

Mr. Thomas: Fifty? Well, what did he say here, then? Road subsidy—roads.

Hon. Mr. Allan: Municipal subsidy—townships.

Mr. Thomas: Yes, I know, but there is $33\frac{1}{3}$ per cent to 80 per cent.

Hon. Mr. Allan: Where does the hon. member see that?

Mr. Thomas: On page 1 of this—

Hon. Mr. Allan: Well, if it is, it is a misprint.

Mr. Wardrope: Some go to 80 per cent.—well, I know that.

Hon. Mr. Allan: The 80 per cent. is right, but the $33\frac{1}{3}$ per cent is not.

Mr. Thomas: Well, it says here definitely—

An hon. member: That is a bridge he is looking at.

Mr. Thomas: No, not the bridge at all. He is thinking about the bridge he lost. I am not talking about that one.

Hon. Mr. Allan: No, it should be 50 per cent. It is a misprint.

Mr. Thomas: Well, if it is 50 per cent. to 80 per cent., how does the hon. Minister arrive at whether it should be 60 per cent., 65 per cent., 70 per cent. or 75 per cent.? What basis has he for calculating the percentage between 50 and 80? Is it at the whim of the hon. Minister, or because of the representation in the local area, or what is the basis for the grant?

Hon. Mr. Allan: Well, Mr. Chairman, that is a very natural question. May I say first that the Minister does not do anything by whims. I will relieve the hon. member's mind of that worry.

The percentage of subsidy is decided after a study of the tax revenue, and the greater than 50 per cent. subsidies apply only in those areas where the possibility for taxation is low, where assessment is low.

For instance, the increase would apply in the area around Timmins or the area in some sections around North Bay, certain parts of Renfrew county, the northern sections of Hastings, Lennox and Addington and some of those counties. Even one or two of the townships in Bruce county are favoured a little higher than the 50 per cent. assessment. Fifty per cent. subsidy is general throughout southern Ontario.

Mr. J. P. Spence (Kent East): Mr. Chairman, may I ask the hon. Minister a question? I do not know whether it comes under this heading or not, but I believe in one of the counties, this year, he handed some provincial highways back to the county to take care of. I wonder if this is being carried out in other counties as well? I believe that is in Elgin.

Hon. Mr. Allan: That is hardly correct, is it? I think the hon. member knows of the circumstance there. It applied to the township of Romney—was it? It was a question of taking the short piece of highway that was built from highway No. 3 over to those sections. It was a highway about 3 miles long in one instance and 5 in the other. And it has been said that it was built because of a very great interest on the part of some, and we were anxious to improve our highway system, so we made an agreement with the county of Elgin whereby we assumed a section of highway in the place of those.

I do not think that has been completed yet, because we are very careful that the county would not be harmed. And it is our intention to put the roads in good condition before they are finally turned back. It was a case of a switch of roads. They were being reverted to the county, and we were assuming a section past West Lawrence to make it part of a highway system.

Votes 602 and 603 agreed to.

On vote 604:

Mr. Whicher: On Item No. 2, I would like to ask the hon. Minister something about the policy in connection with development roads. What makes the department all of a sudden decide that it is going to put a development road in some particular area? Is this at the complete discretion of the hon. Minister, or are these development roads in this plan of his too, or how does he arrive at them?

Hon. Mr. Frost: Has the hon. member any up in his country that he disagrees with—that he—

Mr. Whicher: Oh, no! I just want the information. I am trying to be reasonable like the hon. Prime Minister.

Hon. Mr. Allan: Well, there are various factors that are considered in the taking over of a certain road as a development road which, in reality, means that funds are supplied for the rebuilding of a road which always belongs to the municipality, and which belongs to the municipality after its has been approved.

Most of the development roads are taken on in areas where, for some reason, there is great difficulty in getting them built. Now, in some instances it may be town lines. We find that county councils in some cases are human, and it is very hard to get a road that happens to be a town line between two counties to be built, that is, to get the counties to decide to do it.

Now, in some cases, that might be taken over. The mileage that a county has is given consideration, and it is the purpose of the thing to help those, in many instances, who could not undertake such a project. The expenditure is too great for the local municipality to undertake.

It can be the straightening, the rock work in some of our northern areas, where the township, with probably attached revenue of \$4,000, could never get enough funds to improve a township road.

Likewise, we endeavour to try to help those counties which have some particular road where the traffic is heavy.

I think anyone recognizes that there is a great demand always for the assumption of roads. The hon. leader of the Opposition, I know, has impressed that upon us many times. It is felt that, until we improve our present roads to a reasonable standard we cannot generally undertake such a policy. In some cases, a road that has a good deal of travel is given consideration, and taken over as a development road which, if it were possible to assume as a highway, might be assumed.

Mr. Whicher: Mr. Chairman, under the same vote in the supplementary question about development roads, under what line of thought would the hon. Minister put such a thing as a development road under a "capital" payment? Because obviously, he is just going to fix it up here—fix these roads up to \$7 million worth—and then he is going to turn them back to the counties concerned. I do not see how the hon. Minister can charge that up to "capital". It is money that has just gone for the betterment of the county. But certainly it is not even in his system of roads.

Hon. Mr. Allan: Well, of course, it is a definite construction job, something that will be permanently useful.

Mr. Whicher: Well, that is true, but I do not think it should be capital.

Mr. Oliver: Mr. Chairman, I wanted to say a word in respect to development roads. Our difficulty up there, may I say to the hon. Prime Minister, is not that we want to give any back, but the difficulty is in being able to stabilize the position in relation to these development roads. We have telegrams coming every few days from the hon. Prime Minister or the hon. Minister of Highways, saying that this or that road is now being taken over. And what we want to know, of course, is whether or not these are "true" statements. We want to know exactly where we are at.

Now, in an effort—

Hon. Mr. Frost: Let me see, I never sent any wires.

Mr. Oliver: Last fall, the hon. federal member picked up a piece of paper, supposedly coming from the hon. Prime Minister, saying that a certain county road was to be taken over as a development road. I remember that quite clearly, and just lately a new announcement came. Strange thing—they do not come

from the defeated provincial candidate at all. They come from the federal Conservative member and candidate, which puts a new light on the new politics of this government in relation to roads.

Now, what I want to ask the hon. Minister, seriously, is: Can we find out, from this book, just what roads are taken over in a certain area by an agreement with the county, and are classed as development roads? Are they included in this book?

Hon. Mr. Allan: None of the municipal roads.

Mr. Oliver: This I want to know for my own information, just what roads he is prepared to take over, in co-operation with the county and build—and that he has already notified the county that he is prepared to do—in the Owen Sound area, or Owen Sound division, whatever the hon. Minister wants to call it?

Hon. Mr. Allan: Well, Mr. Chairman, the procedure designating a road as a development road is that the county council passes a resolution requesting that a certain road be taken over as a development road. Our arrangements are entirely with the county council.

I suggest that perhaps the only place where that is definitely set out is in the county council minutes.

Now, he mentioned—I do not know who talks in the Greys. The man I spoke to in the Greys was the county engineer up there, Mr. Beatty, who called me one day and asked me if it was true that we were likely to designate the road from Flesherton to Singhampton as a development road—because the county road committee was sitting, and this matter had a bearing on the county road programme for the summer.

I advised Mr. Beatty that this was our intention. I had remembered how important the hon. leader of the Opposition said that road was.

So, let him not say things to me if he does not believe them, because I really pay attention to his representations.

Mr. G. W. Innes (Oxford): Mr. Chairman, the hon. Minister had mentioned in his report that the London by-pass of highway No. 401 had been opened, which we are very happy to have go through Oxford.

However, my question is regarding the overpasses from the roads which have not been closed there. There seems to be some misunderstanding, and as the hon. Minister

knows, although it is supposed to be a non-access road, there are several roads that are open at the moment. I would like to know, from the hon. Minister, when they intend to close these roads, or if they have any intention of closing them?

My second question concerns the signs on highway No. 401. Now, the new signs were put up and the boards of trade and some of the other interested parties in the cities and villages were not too happy with their names being left off the designated signs. After some trouble, and some delegations coming to Toronto, I understand that they did get some signs pointing to Woodstock.

However, there are other villages and towns there at the present time that have contacted me with regard to signs pointing to their particular town.

I think it is quite fair to assume that these towns and villages should be mentioned on the signs on the highway. I do not think that it is fair to these citizens, when a big 4-lane highway goes past the north or south of their town, that they are not designated.

I think that it is very important that they should be. They are taxpayers and if we are to continue to keep them happy, we should recognize them as being taxpayers, and they should be designated as to the route where they can be connected, not just by saying this is route No. 74, or that this is the Swedberg road, or some other particular road.

Some of these complaints have been attended to and the extra signs have been put on, but there are still some more to do. I would like the hon. Minister to comment on those two questions.

Hon. Mr. Allan: I might say in connection with that road that there may be come turnarounds at the end of the road to be completed yet, and that is the reason. But the road will be an entirely controlled access road and all roads will be closed.

Regarding the signs, I am not familiar enough with the individual instances there to say anything about it. We have very little difficulty, as a matter of fact. Our signing is pretty well—I think that we are perhaps a little more generous with signs than we used to be. Generally the boards of trade and other people are satisfied.

Mr. Innes: Did the hon. Minister know that no towns or villages were put on these signs at all on highway No. 401? Was that an original policy? Has it been corrected since? I just wondered.

Hon. Mr. Allan: That is right.

Mr. Thomas: I am quite sure that the hon. Minister is concerned about the use of our highways by trucks that are overloaded, and this last year I think he put a weigh station in between Pickering and Ajax, on the south side of highway No. 401. I wonder if he built in—

Hon. Mr. Allan: I would be very pleased to go into that, but I deal with weigh scales in The Department of Transport estimates when I come to them, and they are handled by The Department of Transport.

Mr. MacDonald: Well, Mr. Chairman, before we leave the departmental estimates, does the hon. Minister have the figures available on the question I asked with regard to that short stretch of road out from Hornepayne? I am not talking about the northern one down from the highway, but out from Hornepayne. Could he get that?

Hon. Mr. Allan: I will be glad to.

ESTIMATES, DEPARTMENT OF TRANSPORT

On vote 2,001:

Hon. J. N. Allan (Minister of Transport): Mr. Chairman, this will be the first time that estimates for a Department of Transport have been introduced in the Ontario Legislature. As a result, it will be difficult to make comparisons with previous years, except for the motor vehicles branch and the Ontario highway transport board.

In the first case, the work of the motor vehicles branch has been greatly enlarged because of new programmes of driver examination, motor vehicle inspection, and improvements in procedures which have involved expansion of activities.

The Act to constitute a Department of Transport was passed at the last session of the Legislature, and accordingly on July 1, 1957, the department was established.

The main part of the department remains the motor vehicles branch under the very able registrar, Mr. Allan G. MacNab. He has continued to carry the increasing responsibilities of that office, and he is widely regarded as one of the outstanding motor vehicle administrators in America.

It should be of interest to the hon. members of the House for me to explain the development of the department, and the programmes it has undertaken since last July.

Under the Deputy Minister, Mr. D. J. Collins, who commenced duty with the de-

partment at its inception, a motor vehicles branch, a highway safety branch, a research branch, and administrative divisions form the department.

We were indeed fortunate in obtaining Mr. Walter B. Reynolds as commissioner for highway safety, with Mr. Arthur Rowan acting as assistant commissioner.

After consultation with my advisors, it was decided that the most basic programme required to improve our accident picture was one involving more strict and complete driver examination. Accordingly, plans were drafted early in August to develop driver examination centres in the major cities across the province.

One centre was operating at Spadina avenue, and since that time a centre has been opened in north Toronto, near highway No. 401 and Keele street. Centres have also been opened in London, Hamilton and Port Credit.

This programme will be expanded across Ontario, and the choice of these centres will be made having in mind the fact that these shall form also the district headquarters for the department.

Issuing will be carried out at some of the centres as well as safety promotion. That is the issuing of prospective drivers' licences for those persons who have passed their driver's examination.

To explain the purpose of driver examination centres, and the need for establishing these on a civil service basis, I would like to point out that the obtaining of a driver's licence, in this present day of complex traffic conditions, involves more than the mere passing of a minimum driving test. A full and complete driving skills examination, plus eye examination for visual acuity, depth perception, and the ability to read and identify signs, and a successful completion of a written examination, are basic to the new test.

As a consequence, in the 3 centres, Toronto, Downsview and London, since January 1 of this year, of 3,813 tests conducted, 1,031 were failures on the road test alone, or 27 per cent., and of the 4,161 inside tests conducted 1,295 failed, or 31.1 per cent.

The figures for each of these centres show a remarkable similarity, with London being higher on the road test but with an insufficient sampling to show actual trend.

Of those who passed the road test, approximately 50 per cent. passed the inside test on their first attempt. In Downsview, over 61 per cent. passed the inside test.

Hon. members will see that, when we have approximately 46 per cent. failures on first attempt, that this form of examination is much more complete than the one previously existing on a fee basis.

This does not reflect on the examiner on a fee basis, except to show that he has not the time, the facilities, nor the number of tests necessary to conduct a complete examination.

As people become prepared to study the rules of the road, and develop better driving practices, the number of failures decrease. Those who take courses in high school, or in the driver clinics conducted by the police in such centres as Hamilton and London, meet with much greater success.

To be properly equipped, mentally and physically, to take a modern car out in present-day traffic conditions requires adequate preparation. We feel that this programme alone will be a great strength, in our highway safety programme.

With this programme in full swing, there remains the necessity of having, in our files, complete driving records of those who are now licenced. The introduction of legislation to amend section 49 of the Act, to require that convictions be registered against the operator of a motor vehicle for moving violations, will provide such complete records.

The assessment of a point system, assigning demerits to those who carry convictions on their record with the points assigned, having in mind the severity of the offence, will enable us to identify accident-prone people through bad driving records.

Through a system of warning, and with the accumulation of more points, eventual suspension plus a re-examination, we feel that a small percentage of our drivers who build up bad operating records will be given disciplinary attention, and corrective measures will be taken.

It is not our wish to remove the privilege to drive from any person who shows evidence of the right attitude and behaviour in regard to that privilege. Rather only those who through their behaviour show a disregard for the rights and interests of others will be dealt with.

Accordingly, it has been necessary to increase the estimates of the branch to provide for the appointment of driver examiners and the opening of new offices.

An expansion programme has also been carried out in the appointment of inspectors under the public commercial vehicles division. These inspectors are responsible, not only for

the checking of movement of public commercial vehicles on the highways, but also an examination of their licences to see if they are properly licenced for the goods that they are hauling in the area in which they are operating.

The vehicle is checked to see that it conforms with legal requirements, and these inspectors also are responsible for the weighing programme and our highway weigh scales.

The increase in vote 2,004, item No. 3, of \$129,000, is occasioned because of the expansion in driver examination centres, the purchase of vehicles for public commercial vehicle inspectors, the purchase of scales and vehicles in connection with the weighing programme, and miscellaneous operating costs.

At the present time, there are 43 inspectors on staff, this represents an increase of 18 men since April 1, 1957.

Present plans call for a further increase of 50 inspectors and weigh-men in the year 1958-1959. This increase of staff is required so that the weigh-houses in operation now, 21—and under construction, 6—will be manned as well as 6 portable weigh scales.

The big advantage of this programme is not only in the checking of licences and operating behaviour, but also in the administration of The Highway Traffic Act regulating permissive weights of vehicles. Overloaded vehicles seriously and adversely affect highways and lead to expensive maintenance.

I would like to acknowledge the fine support of the transport industry in this programme, in fact they are the main promoters of a fair and strict enforcement programme.

It is our intention to have these uniformed inspectors given full training in the administration of The Highway Traffic Act, so that breaches of the Act, in regard to licencing, both by public commercial vehicles, public vehicles, and passenger cars will be checked. This will be done in co-operation with the Ontario provincial police and other police forces.

We have from time to time received suggestions concerning the issuing of licences, and so the firm of Price-Waterhouse was retained to investigate the licencing procedure presently in effect, and to make recommendations on the procedure to be followed. I wish to report that this study has now been completed. This firm was commissioned in February, 1957, to survey the present practices of the motor vehicles branch.

The most important recommendation involves the issuing of licences and permits, and the keeping of records by fully mechanized procedures. The estimated cost of initial conversion to such a system is reported to be \$1,500,000, although a saving of approximately \$800,000 a year is suggested, when this system is in full operation, as compared with a system carried out manually.

The report recommends a "Soundex" coding system whereby each driver in the province would be assigned a permanent code number, which is determined through such things as his name and age. This makes use of the mechanized procedures in positive and immediate identification of licences and owners of vehicles.

The report is in favour of a demerit point system, and made particular mention of the necessity that convictions be recorded against the driver's record rather than the owner's.

Another main recommendation, which supports the present policy of the department, is that driver examination centres should be established on a district basis throughout the province, with the examiners being properly trained and qualified civil servants.

Under the main office of the department are the following branches: accounts, personnel, legal and research.

The research branch has been assigned the responsibility of investigation into such matters as highway taxation, insurance coverage, rate filing, special permits and several statistical studies, particularly in regard to highway accident statistics. A new library will be developed, containing these studies conducted by other jurisdictions in this fast-developing field of motor transport. We expect that this branch will form the hub of the department, and will guide our future activities on sound scientific lines.

In the field of highway safety, the fundamentally new approach to this problem has been initiated through a newly constituted traffic safety committee of the Ontario government. This is composed of representatives of the departments of the Attorney-General, Education, Highways and Transport, with the commissioner for highway safety as the chairman.

The hope in appointing this committee is to correlate the thinking and the understanding of these 4 departments, all of which are concerned with highway safety.

I am pleased to announce that the department has taken steps to constitute a research advisory committee. This committee is composed of eminent men in the fields of psychiatry, psychology and sociology. The

committee will be given complete freedom to consider research studies into the causes of highway accidents, the identification of accident-prone persons, and the treatment necessary to correct improved behaviour and attitude.

This is an extremely involved question, and it is expected that the research studies approved by the committee may show new methods of dealing with the chronic violator. The policies of the department will be designed to take into consideration the facts discovered by the research studies.

The members of the research advisory committee are as follows:

John D. Armstrong, M.D., medical director, alcoholism research foundation, associate professor of psychiatry, University of Toronto.

S. Delbert Clark, M.A., Ph.D., professor of sociology, University of Toronto.

C. Roger Myers, M.A. Ph.D., professor and chairman of the department of psychology, associate dean, humanities and social sciences, school of graduate studies, University of Toronto.

Percy L. Newbigging, M.A., Ph.D., assistant professor of psychology, McMaster University, Hamilton.

Brother Roger Phillip, F.S.C., M.A., Ph.D., professor of psychology, Assumption University, Windsor.

J. Allan Walters, B.A., M.D., D.P.M., neuropsychiatrist, assistant professor of medicine, University of Toronto.

It was encouraging to find that these men were really interested in the problem of highway safety and were willing to contribute of their time, knowledge and experience in endeavouring to help to solve this problem which gives everyone a great deal of worry.

The safety promotion division of this branch, which will eventually be made up of one supervisor and 3 officers, has the following responsibilities:

1. The stimulation in assisting of traffic accident prevention through local safety councils;

2. Encouraging communities to develop safety programmes;

3. Working with educational authorities and setting up school safety programmes involving safety patrols, high school driver education courses, and safety courses in the schools generally.

We are convinced that if any success is to come to this highway safety programme, it must be firmly established at the local level. That is, it is everyone's problem, and

we are endeavouring to exert every possible effort to create an interest by using the efforts of as many persons as may be found interested.

These officers will speak to interested groups, and I may say that there are plans to develop motion picture films, which will be made in Ontario and be suited to Ontario conditions. In this programme, we will work closely with the Attorney-General's Department in plans to promote safety programmes at the municipal level.

I am pleased to report that a women's activity officer, Mrs. Ethel McLellan, has been added to the staff, and already she has distinguished herself as a capable promoter of proper driving behaviour, and as an able speaker in developing local support.

The highway safety publicity campaign, carried out in previous years, will be further developed and carried out with the same budget that the motor vehicles branch carried last year. Direct mail will be used to a greater extent to develop interest in the traffic accident prevention programme, with improved and more attractive reports sent forward. Advertising in the daily and weekly newspapers and other publications, as well as radio and television, will be carried out.

Several major campaigns, involving moral responsibility in April, vehicle safety checks in May, and appropriate safety campaigns in later months, will be given widespread publicity.

I would like to announce that there will be an Ontario highway safety conference held later in the year, to provide an opportunity for delegates from municipalities, and from public and private agencies, to make recommendations and exchange views on the best means of solving the present traffic accident problems. I find that there is an increasing interest on the part of the people in correcting the bad accident records of previous years. That this is true is borne out by the fact that, in the present-day situation, our fatality rate is about half of that which existed in the 1930's.

I doubt that anyone would suspect that that was correct because, of course, there are so many more persons injured and killed today than there were in the 1930's, but considering the number of miles driven, our traffic accident record is twice as good today as it was in 1930.

Our drivers are greatly improved, and there is no reason why this trend should not continue. We shall take a vigorous hand in encouraging any programme which will have

the effect of cutting down accidents on the highways.

The administration of the unsatisfied judgment fund, insofar as The Department of Transport is concerned, comes under the financial responsibility division of the motor vehicles branch. As the hon. members of the House are aware, we have taken certain steps to encourage all motorists to carry insurance coverage for public liability and property damage. We have published advertisements in all of the newspapers, pointing out the risks of driving without proper insurance.

The response to this, and to the additional charge of \$5 on the uninsured, has been most encouraging. It is widely reported that more motorists have purchased adequate insurance than ever before. One large insurance agency reported that, in the month of January, every policy included public liability and property damage coverage, whereas their earlier experience had been that a certain proportion—60 persons in their case—would have been content with fire, theft and collision.

There are a number of people who have realized, perhaps for the first time, that they were not fully insured when the agent reported that their insurance lacked liability coverage.

Although our aim is complete insurance coverage, there will still be some who will take the risks of driving without insurance, and perhaps not be able to satisfy a judgment if they are the responsible parties in an accident.

The insured motorist in Ontario has protected himself against this to the limits of his coverage, and if struck by an uninsured motorist may collect from the unsatisfied judgment fund. He is in as good a position in Ontario as he would be in New York state with compulsory insurance. The limits are exactly the same. The unsatisfied judgment fund would still be required, even with compulsory insurance, to satisfy judgments arising out of such accidents as the following:

1. Hit and run;
2. Those involving out of the province vehicles not required to be insured;
3. Those involving owners who have with intent cancelled their insurance;
4. Those involving stolen vehicles;
5. Those involving farm vehicles.

The hon. members of the Legislature, particularly those who sat on the highway safety committee which reported in 1955, will

be interested to learn that—and I bring this especially to the attention of the hon. member for Oshawa (Mr. Thomas) who was very interested in this—that, of the 77 recommendations put forward by that committee, 58 have been adopted in full and 7 in part. That, I believe, is an enviable record for any committee report.

Mr. T. D. Thomas (Oshawa): One would say a good record.

Hon. Mr. Allan: I would like to say a few words about the Ontario highway transport board, which was transferred last July from The Department of Municipal Affairs to The Department of Transport, with Mr. S. H. S. Hughes, Q.C., as its chairman. In 1955, the board was established to take over from the Ontario municipal board the jurisdiction, exercised by the latter, over the provision of certificates of public necessity and convenience to the Minister of Transport, with reference to highway passenger carriers under The Public Vehicles Act and highway freight carriers under The Public Commercial Vehicles Act.

From the first, it was the policy of the board to conduct public hearings in all those cases where new operating rights were being applied for, to take evidence in the usual way.

I think I should mention that the board now has 4 members, and since it has the panels of 2, the board has gone out into the province and has held hearings in towns and cities, which has proven to be a great convenience to those who wished to appear before it. Hearings have been held in Fort William, and London, I believe, and several of the cities and towns throughout the province.

Now that, Mr. Chairman, is a brief outline of the new Department of Transport.

Mr. R. Whicher (Bruce): Mr. Chairman, would the hon. Minister tell us what they do in New York state, with the unsatisfied judgment fund? I mean, he said that the unsatisfied judgment fund would still be necessary to cover hit-and-run drivers, for example, or out of province motorists.

Hon. Mr. Allan: They have an unsatisfied judgment fund in New York state, do they not?

Mr. Whicher: No, they do not. Well if it is not necessary there, why would it be necessary here?

Hon. Mr. Allan: Well, of course, it is a question of whether it is desirable or not, and I think that it is generally conceded that an unsatisfied judgment fund is desir-

able in any jurisdiction, regardless of whether one has compulsory insurance or not, for the reason that I have mentioned—that is a hit-and-run driver. One never finds out who the driver was and if there was no unsatisfied judgment fund, naturally there would be no compensation for the person who was injured.

I am told that the state of New York is introducing an unsatisfied judgment bill in the House this year. That does not necessarily mean that it will become law.

Vote 2,001 agreed to.

On vote 2,002:

Mr. Thomas: Mr. Chairman, I would like to ask one or two questions of the hon. Minister respecting the weigh stations.

Perhaps I should have put a question on the order paper. The one in my own riding, as he knows, is on highway No. 401. How many hours a day is the station open and how many days a week? What is the procedure for getting trucks in there? Are they ordered in, or do they go in on their own accord, or what? How do they go in and get weighed?

Hon. Mr. Allan: When the stations are open, all trucks must proceed over the scales.

Mr. Thomas: Are they open 5 days a week?

Hon. Mr. Allan: No, we do not begin to have sufficient staff to man all stations all of the time. That work has been taken over, as I pointed out to the hon. member, by the staff of The Department of Transport, relieving the police for other duties. As the staff increases the stations will be kept open a greater percentage of the time. I do not believe I have the information as to just what percentage of time they are open.

Mr. D. C. MacDonald (York South): Is it considered necessary to keep them open all the time?

Hon. Mr. Allan: No, I would hardly think so. Our experience has been that this is not necessary in those areas where there is a general check. It states here that in a typical week Cooksville was open 10 hours, Gravenhurst, 79 hours, Winona, 9 hours, Bowmanville, 42.5 hours, Pickering, 40 hours.

Mr. Thomas: Mr. Chairman, further to that question. In the last couple of days I have noticed two heavily laden trailers just east of the weigh station, trucks with reinforcing steel—I suppose for cement work—and

they have been on the side of the highway there. I was wondering how many trucks have been found to be overloaded during the period the station has been in operation and how many have been taken into court or summoned? There must be some corrective measure to bring them to—

Hon. Mr. Allan: This report covers almost a year and the number of convictions in all stations was 3,164. The experience is that the percentage of convictions is very small. That was out of a total of 243,559 vehicles checked. The experience is that when it is known the scales are open there are a very small percentage of infractions.

Mr. MacDonald: Mr. Chairman, when we were discussing this question in the toll roads committee—I think it was at a very early stage when it may have been a mobile rather than a permanent weigh scale—there was a suggestion in the first two or three weeks or month that the scale paid for itself because of the convictions. I presume the number of convictions would drop off if drivers knew they were going to be made to go on the scale? What has been the experience in that connection over a longer period?

Hon. Mr. Allan: When scales are put in a new area there is quite a percentage of convictions then it gradually drops off. I might say for the information of the House that we are becoming more and more interested in axle loads. That is, we find that the gross load can be improperly divided and that the real damage comes to the highways from the axle loads, and as a matter of fact, it is our intention in our weighing, to take a great deal more interest in axle loads than we have. For instance, in some gross weights, it is impossible to get the gross weight on the vehicle, without overloading one of the axles. I might say that the fines collected last year, or this year so far, are \$124,872.

Mr. MacDonald: What has been the outlay for the weigh stations?

Hon. Mr. Allan: The Department of Highways build the weigh stations and I do not have those figures now. Our outlay is the salary of the staff.

Vote 2,002 agreed to.

On Vote 2,003:

Mr. Whicher: Mr. Chairman, I just have one question on this item. In the report of the select committee on highway safety, there was one recommendation which said that separate examination provisions be established

under the director—that the driver examiners be appointed as civil servants and the application of a driver examiner be required to pass a qualifying examination, consisting in part of appropriate written and practical tests. Now has anything been done about this?

Hon. Mr. Allan: That programme is under way. We have a qualification standard for appointment of those examiners. All the examiners now in the metropolitan area are civil servants who have passed those examinations. We have 3 stations here: one on Spadina avenue, one at Port Credit, and one at Downsview, up on highway No. 401. We have established such a station in London—or, rather such a centre—and also in Hamilton. We are making arrangements to establish one in Ottawa, and are planning now to establish them in the smaller places, where we try to work out some plan which makes it economical—that is, reasonably economical.

It is not very economical to establish an office for one examiner. We are trying to formulate some plan which will permit us to have these examiners, and it will cost a good deal more—there is no doubt about that—but that would be on a district basis. We have not as yet established any plan for the examiners to go out and visit a town, say once a week, or something like that, and make examinations by appointment, but we intend to extend it in that line.

Mr. F. R. Oliver (Leader of the Opposition): To go back to vote 2,002 for a moment, I want to ask the hon. Minister this question: Has he lawyers attached to this transport board paid by the transport board?

Hon. Mr. Allan: In what way does the hon. leader of the Opposition mean? Does he mean do we have counsel for the board?

Mr. Oliver: In the public accounts, there is the name of one lawyer who receives \$2,800. What would that be for? Rappaport, or something, the name is.

Hon. Mr. Allan: I think that was before the board came under The Department of Transport, and I am not sure what it was, but at the time we were endeavouring to set up some kind of interprovincial arrangements.

Mr. Oliver: Was he at the same time appearing before the board on clients' behalf? I just wondered.

Hon. Mr. Allan: I might be able to find that out. As I say, this occurred before it was under The Department of Transport, and I

will get it for the hon. leader of the Opposition.

Mr. Oliver: It is rather an odd position to be in.

Hon. Mr. Allan: Well, there was an effort made by Mr. Hughes, and I attended a couple of the meetings. I know very well when it was—I was still wearing a cast—about a year ago last fall, and there was an effort made to try to get some uniformity in the regulations in the various provinces. Mr. Rappaport was engaged to advise them in that interprovincial plan and he did not appear before the board while he was so employed.

Mr. Oliver: He did not?

Hon. Mr. Allan: No.

Vote 2,003 agreed to.

On vote 2,004:

Mr. G. E. Jackson (London South): Before vote 2,004, I wonder if I could ask the hon. Minister a question about vote 2,003, and the driving centres that are established. Do these centres recognize any licence from any other state or any other area?

Hon. Mr. Allan: No, if they are to be licenced here, they have to be examined. I think that will be found in every jurisdiction. What I wondered when the hon. member first asked the question—a licence from another jurisdiction is recognized here for a certain period, 6 months. If anyone comes from another jurisdiction they can drive on that licence for 6 months, but if they want to get an Ontario licence, they have to be examined here.

Mr. G. W. Innes (Oxford): May I ask the hon. Minister of Transport on vote 2,004, and possibly vote 2,005: some of the municipalities around the province—I do not know how many—but London, incidentally, did extend their date a couple of days longer for obtaining their licences. Is this going to be a regular procedure in the province, that any municipality or city has a right—do they get the permission from the hon. Minister—to extend it?

Hon. Mr. Allan: Well, I have never been able to have any influence with the police of this province, and if the police at London say they will not lay an information for certain things at certain times, that is entirely within their own jurisdiction. If there is a deadline for licence plates, it is the same in London as it is any place else. It is just a question of what the police decide to do.

Mr. Oliver: Has the hon. Minister given any thought to a different method of getting these licence plates out? I mean each year it seems to become worse.

Hon. Mr. Allan: Well, I am firmly convinced that what my hon. friend says is correct, and I am firmly convinced that the matter of extension was making it worse each year. By having it definitely known that there will be no extension, I would expect that in another year, we will not have the same difficulty. Really, the issuing of these licences has been given a great deal of thought by our department, without having achieved very much in the way of improving it.

These agencies who issue the licences have to keep a staff, and this year during the month of February those offices were very, very slack. Yet it is not possible to set up any sort of an organization that can issue the licences for the province in a period of two weeks.

We do accept applications by mail and we were able this year to send out every night, and to complete every day, any application that we received that day, so that each one could have his licence, but a great many people did not realize that they could do that.

But that is really not the intention of the procedure that should be followed because the mechanics of the operation of the persons who issue licences, and keep an office the year round, has to be given some consideration. It is just impossible to expect these agencies to issue the great number that was wanted at the time it was available at the last period this year.

I am certain that our people, if they realize that when a date is set, that is the final date, they will accommodate themselves to it, and we will not have the experience we had this year. This matter of issuing drivers' licences, we realize, must be given consideration because of the great many influences that affect a driver's licence. That is our thought in finally setting up a machine or a mechanized issue of drivers' licences. Once the man or the woman is set up in that device, it is continued, and I think we will overcome a good deal of the difficulty.

A number of jurisdictions issue drivers' licences on a longer term. Now that can be given consideration. They issue them on the month of their birthday and that spreads the issue of the driver's licence over the whole year. All those things will be given consideration in the hope that some plan will be more satisfactory than it was this year.

Mr. Innes: May I ask the hon. Minister if any effort is being made by the department to make a type of licence plate that is not quite as corrosive as the one that is now in operation? Some of these, by the end of the year, are not very visible to the police officers and I think that there should be a study made along this line. I would like to obtain some if there are some.

Hon. Mr. Allan: We recognize that would be desirable and we are hopeful that—I might ask the hon. Minister of Reform Institutions (Mr. Dymond) if the plates this year were made in Guelph or Millbrook? I mean the plates we are selling.

Hon. Mr. Dymond: At Guelph.

Hon. Mr. Allan: At Guelph, The Department of Reform Institutions makes the plates, I understand, and perhaps the hon. Minister would give an explanation, that the plant that is now in operation at Millbrook is a very modern plant and that, in all probability, the licences will be of a better quality.

We did try last year. We had some made on galvanized iron and they turned out exceptionally well, but they are more expensive than the plates made on iron. We are hopeful with this new process that the iron will be cleaned better, and the paint will go on when the iron is in a better condition. I think it is likely that the plates will be of better quality when the plates are made at Millbrook.

Mr. Whicher: Mr. Chairman, I was interested in listening to the hon. Minister tell us that it was possible to get licence plates by mail. I did not know that at all. Did the hon. Minister advertise that fact and how do we do it? Do we have to pay the postage and other expenses?

Hon. Mr. Allan: No, just send in the cheque and you get your licence. The marker is mailed out. We have not publicized it terrifically. These issuers of licences perform a service in the community and a convenience for the people in the community and they do not get a large fee for the issuing of licences.

Mr. Thomas: What is the commission they get?

Hon. Mr. Allan: Thirty-five cents.

Mr. Thomas: On each licence?

Hon. Mr. Allan: On each permit, that is each plate—well, on the set of plates; and 10 cents for a driver's licence.

Mr. J. Root (Wellington-Dufferin): I was just going to ask, on the mailing of licences, what happens if a driver is stopped by a provincial officer and asked for his licence while it is away to the department? His driver's licence?

Hon. A. K. Roberts (Attorney-General): He should have asked a little sooner.

Hon. Mr. Allan: Well, I do not know what happens, but I have never heard of any difficulty.

Mr. A. G. Frost (Bracondale): Mr. Chairman, I would say that we have secured our licences that way for 20 years and we have never been stopped and never had any difficulty or trouble. It has always been very convenient. We would mail a blank cheque and they would fill the cheque in and send us the licences. We have done that for 20 years.

Hon. Mr. Allan: Mr. Chairman, that is an indication of the confidence that some people have in The Department of Transport.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Chairman, would the hon. Minister give us his personal opinion with respect to a policy of stricter cancellation of licences on infractions of highway traffic regulations?

Hon. Mr. Allan: Well, I think, Mr. Chairman, the demerit system which is contained in the amendment to The Highway Traffic Act will—well, it really provides for a man writing his own suspension. It is intended that a set of points will be established. That is quite an undertaking. We endeavoured, the other morning, in the highway safety committee, to establish what might be considered a reasonable valuation of the demerit points for various offences. There was a great difference of opinion, and the view was expressed that it might need to be tried, so it was finally agreed that the Act would provide for the setting up of those points by regulations.

The Act provides for suspension by the magistrate for most offences. I know the hon. member is probably thinking of speeding, and although that is not provided in the Act, a series of speeding offences would create the accumulation of a number of points in this demerit system whereby the licence would automatically be suspended.

The whole thought behind this plan is that when so many points are accumulated—so many demerit points—a letter would be written to the operator warning him that so many points had accumulated. The next offence would require him to discuss the matter with

someone from the department. Following that, if there are still more points, it would mean—of course that has not definitely been decided—very likely an automatic suspension.

Mr. Wintermeyer: Mr. Chairman, I do not want to labour this point too long, but would the hon. Minister agree with me that in terms of common sense, the way to get at this is to be strict about it and cancel their licence as they do in Connecticut? I realize that it is politically dangerous to do it. It requires a good administrator and I hope that the hon. Minister is such. But I think, if somebody will really take this in hand, and be definite about it, there is no substitute for automatic suspension of licence.

As I said the other day, it seems to me that people will not slow up to save their lives, but they will to save their licences, and I think it is the licence that we have to use as a vehicle to reduce the number of accidents.

Hon. Mr. Allan: Well, of course, under the Act at the present time, magistrates can suspend a licence for a second offence. I recognize the sincerity of the hon. member's thinking and I suppose that we are all entitled to have our own line of thinking in that direction. I must say that it is my personal opinion that if we are going to do a job, then we should have the co-operation and the support of the drivers throughout the province. We should try every possible reasonable means of influencing those drivers first.

Now I have never been convinced that punishment really will cure misdemeanors. That is, it is the fear of something I think, that keeps the people in line perhaps more, and while if a licence were to be suspended for speeding on the first offence, in some instances it would create a very great hardship. There are a great many men who make their living by driving motor vehicles of some type, and one could understand that, the other day, when the deadline for the licences came up.

Any person could do without his car for one day, and it was no difficulty to get the licence the other day, but it indicated how the motor vehicle has become a part of so many people's lives. I have quite a bit of faith in the people of this province and I hope that we can get the drivers of the province to go with us on a programme of good driving. However, if there is not co-operation, then hardship and suffering comes, and I think that, when our plan is set up, it will come much sooner for some of those people than they would anticipate in the

beginning, because when one has a conviction for careless driving, he has a number of points against his record which certainly must demand some consideration if he is at all anxious about his licence.

I agree with the hon. member that the licence is perhaps one of the good ways of encouraging good driving.

Mr. Whicher: Will the hon. Minister change this point system every year?

Hon. Mr. Allan: As I say now, I am just speaking without having come to a conclusion, and I would not like the hon. member to hold me to what I say, because we are making a very great study. As a matter of fact, two of our people are going down to New York state this weekend to sit in on a conference in connection with the University of North Carolina, who have been conducting a study in this particular point system. They have been investigating, I think, 60,000 drivers.

Our present thinking is that the point system would extend over a period of two years and, at the end of two years, if one has a conviction for speeding, on the third anniversary—that would be at the end of two years—those points would be deleted from one's record.

Mr. Thomas: Mr. Chairman, some time last year the hon. Prime Minister (Mr. Frost) said that he favoured compulsory automobile insurance. Is that the hon. Minister's view too? What does the hon. Minister think about that statement?

Hon. Mr. Allan: Well, I think the hon. Prime Minister has stated his feelings in that connection. Everyone is anxious to have every person driving a motor vehicle insured. I think that is unanimous. As a result of the policy we have in effect this year we will know at the end of the year how many persons have insurance—the number who have it and the number who do not have it.

It is really quite a problem to consider because the question arises then as to who must be given insurance.

Mr. Whicher: Let the insurance companies tell him, it is their business.

Hon. Mr. Allan: Well, we would like to get our licencing good enough so that when the department said the driver of a motor vehicle could drive a motor vehicle, he should be able to get insurance. Now I do not know whether we can arrive there. We hope we can. That is the first place we would like to

arrive, because if compulsory insurance is in effect and insurance companies are required, by their licence, to insure every person who is going to drive an automobile, it really creates a situation that is not desirable.

I have a list of the rates of insurance here in a number of jurisdictions. Massachusetts, of course, has had compulsory insurance for a great many years. They have a 40-mile speed limit. Their number of accidents is much greater than ours. That seems impossible, one can hardly realize that it could be true. The insurance rate—and this is personal injury, personal damage, preferred risk for 10/20/5—now in Boston, the premium for that is \$167.10. By comparison, Toronto is \$32. Buffalo is \$76, New York city, \$124, Montreal is \$58, and rural Massachusetts is \$54.70—in comparison to Ontario's \$23.

Mr. Whicher: That example of New York city and Boston, that is a fair comparison, and it is \$124 without compulsory, and Boston is only what—\$130 or something?

Hon. Mr. Allan: Well, of course, they have compulsory insurance in New York but the rates have not changed. There is an application before the supreme court to have the rates raised.

Mr. Whicher: Well, our companies do not have to get an application, they just raise them.

Hon. Mr. Allan: Oh, yes, they have to get permission to raise them.

Mr. Whicher: Automobile rates? They do not.

Hon. Mr. Allan: Oh, certainly.

Mr. Whicher: No, they do not. It is a private enterprise.

Hon. Mr. Roberts: There is a provision in the Act which could be brought into effect, but it actually has never been proclaimed.

Votes 2,004 and 2,005 agreed to.

Mr. Oliver: I want to ask the hon. Minister a general question before his estimates are through, having to do with the diesel fuel tax. I was quite interested in that last year, as I am sure the government must have been when they increased the tax so definitely in respect to that fuel.

I do not think the government felt they had all the facts in their possession when they put the impost tax on last year, and I was not surprised that the intimation is that during the recess they had an examination made of this whole matter, and that the Ontario research foundation has been called

in, and in co-operation with the automotive transport association they have conducted, as I understand it, certain tests and a report has been made. I presume it is in the possession of the hon. Minister and before his estimates are finally passed tonight, it would be interesting to find out from the hon. Minister, if he would tell the House, and I think he should—if he has the report—just what the results of that investigation were.

Hon. Mr. Allan: Well, Mr. Chairman, we made that investigation for The Treasury Department and any information we have has been turned over to The Treasury Department and, of course, as is known, the collection of diesel fuel tax is the responsibility of The Treasury Department.

Mr. Oliver: Who has this report now?

Hon. Mr. Allan: The Treasury Department has it.

Hon. A. K. Roberts (Attorney-General): Mr. Chairman, I move the committee do now rise and report certain resolutions.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. H. M. Allen (Middlesex South): Mr. Speaker, the committee of supply begs to report certain resolutions and begs leave to sit again.

Report agreed to.

Hon. Mr. Roberts: We were going to call order No. 15, but if the hon. Speaker might see fit, as it is 6 o'clock, the House might adjourn until 8 o'clock.

Mr. Speaker: It being now 6 of the clock, I do now—

Mr. Oliver: May I ask the hon. Attorney-General, is it debate tonight?

Hon. Mr. Roberts: Resumed debate on the speech from the Throne.

Mr. Oliver: Speech from the Throne?

Hon. Mr. Roberts: Yes, I think perhaps we may then go over to the budget debate as well. At the moment, Mr. Speaker, I believe there are two speakers to follow on the resumed debate on the speech from the Throne and that it will be wound up tomorrow, I believe, by the hon. Minister concerned. After the two have finished tonight, it is the intention to go on to the budget debate.

It being 6.00 of the clock, the House took recess.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Wednesday, March 19, 1958
Evening Session

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, MARCH 19, 1958

8 O'CLOCK P.M.

The House resumed.

SPEECH FROM THE THRONE

Mr. J. F. Edwards (Perth): Mr. Speaker, in rising to take part in the debate of this present session I would, as all hon. members have done, pay respects to the fine service you render in your honourable position in this House as Speaker. Your friendly manner and personality really do wonders.

I would also like to congratulate the Deputy Speaker, the hon. member for Middlesex South (Mr. Allen), as well as the new hon. members, namely the hon. member for Lanark (Mr. McCue); the hon. member for Glengarry (Mr. (Guindon) who seconded the speech from the Throne in such an able manner; the hon. member for Middlesex North (Mr. W. A. Stewart); and the hon. member for Elgin (Mr. McNeil), who have been elected since the last sitting of the House as supporters of the Frost government.

I would also like to pay tribute to 3 very good friends and esteemed members of this Legislature who have passed on: Tom Pryde, Huron; Tom Patrick, Middlesex North, and T. S. Thomas, Elgin.

There have been other changes in this house—I refer to the absence of Mr. George Doucette of Lanark, former Minister; O. Villeneuve of Glengarry; and Mr. S. J. Hunt, Renfrew North, who have entered the federal field, and I am sure we all wish them well.

The moving of the speech from the Throne by the hon. member for Peel (Mr. Kennedy) was especially interesting and made us all realize how much we owe to our pioneer members, and what a contribution they have made to progress in Ontario.

I would like briefly to discuss some of the problems in the riding of Perth, which I have the honour to represent. No doubt some of these problems exist also in other ridings.

Perth riding is about 840 square miles in extent—and has an assessment of \$62.25 million, and includes the town of Palmerston where I live.

There are some new industrial expansions there, and at this time I would like to pay tribute to The Department of Municipal Affairs which co-operated in every detail in concluding the arrangements which brought these industries to that community.

It is, I would say, the centre of western Ontario, and borders on 5 other ridings.

It has Stratford on the Avon, which is the county seat and a city of approximately 20,000. Stratford is a railway division point on the Canadian National Railways, and a city of much diversified industry, not to mention being the home of the Shakespearian Festival which has brought to Ontario and Canada more publicity and fame than any other single event over the last 5 years.

Other communities, besides the townships, include St. Marys, a beautiful town on the Thames river and on highway No. 7, which a short time ago provided a home for a new industry—the Hinde & Dauch paper company; Mitchell on highways Nos. 23 and 8; Listowel on highways Nos. 23 and 86; Milverton on highway No. 19; and Palmerston, a railroad junction point on highway No. 23.

All these towns feel very strongly that a policy of decentralization would tend to bring more industry and manufacturing plants to settle within their boundaries. As well-established towns they have every public facility to offer, as well as good schools, churches, modern hospitals, and recreation facilities. In these places there are no hour-long rides on buses or cars to work, no line-ups of any account to get a meal or to check out of a shopping centre. In other words, they are good places to live—where possibly more people reach the ages of 90 and even 100 than in most other areas. Many of the communities have already celebrated their centennials having been parts of the Huron tract development.

As far as transportation is concerned, Perth county is well provided, not only with good highways and county roads, but with Canadian National Railways service on its many branch lines. In addition, the Canadian Pacific Railway runs through Milverton and Monkton to Goderich.

I would like to make a few observations relating to problems affecting the railway per-

sonnel in my area. There has been for some years past a deliberate and planned effort to reduce branch line services.

Stratford is a railroad centre, and the large shops there have already felt the effect of the switch to dieselization, yet we cannot stop progress, and that is one of the things they have to contend with.

There has apparently been for some years a deliberate and planned effort to reduce branch line services all over Canada, I am told.

Since last year, we have seen the Stratford-Goderich line reduced to one passenger train a day each way. On account of hauling larger trains, diesel power has also had the effect of removing some of the crews. Further, for some years, the Canadian Pacific Railway have been using trucks for their express movements. Mail cars as combination cars (express and mail) on most of the lines on Canadian National Railways, are still being carried on the trains—yet the mail is going by trucks. Why? Can you think of anything more ridiculous?

The Canadian National Railways officials had apparently informed the postal authorities that the services would not be available—yet the mail cars are still running while the mail is being carried by truck. This meant a loss of revenue to the Canadian National Railways and a slight decrease in cost to the postal authorities.

How? Yearly contracts were made with truckers to carry the mails. All carriers from stations to the post offices were out of a job, and they were, no doubt, men in their senior years to whom the small earning meant considerable. Mail clerks living at Goderich, Southampton and Kincardine were retired and not replaced.

Yet Trans-Canada Air Lines can be subsidized several million dollars to carry mails at the regular rates.

I realize this is federal business, yet I consider anything that affects those residing in Perth is of interest to me as their representative—and jobs are jobs.

The passenger traffic is definitely increasing, and no doubt will increase further, but only if improved service is provided.

We have in our area, particularly north of us and some of the neighbouring ridings, some of the finest resort places in the province of Ontario. The railways take the passengers up on Friday and Saturday nights, and leave them to get back the best way they can on Sunday to be here for work Monday morning.

I do think that there should be a Sunday service in that area to serve those who would want to resort to recreation parks and lakes.

As traffic on our roads in Metropolitan Toronto increases, parking fees are quite expensive—in fact profits from the city auto parks prove that they amount to considerable. We must never forget that primarily the railways were built in large part by the communities they serve, 75 to 100 years ago—also the Canadian Pacific Railway—and the Canadian National Railways or the former Grand Trunk Railway and Canadian Northern—received large tracts of lands from governments.

Then we have had increased charges—and more are being asked for by our railways. These rates must be competitive and while we know railways are hampered in their efforts to increase business by a federal board of rate commissioners who rule on their rates, they no doubt would get much more business if these rates were reduced and cars kept loaded, and the men working.

They might take a look at the large store operator, who when business is down, advertises more, reduces prices and creates business. I feel very strongly that such unbusinesslike practices are detrimental to the progress of the province of Ontario, and that a very strong representation should be made to the Dominion government in connection with this important matter.

Regarding the effects of trucking on the rail industry, and those affiliated therewith, it is my opinion that the large truck box cars should be off the highways. Steel, cement, and heavy logs should be back on the rails—which were built to carry them. It would relieve our highways and distribute the economy more evenly.

The past has proven the value of railways, and it is my hope they continue to play their part in the future—not merely as operators of hotels—but to give service to every part of our province.

We talked about decentralization which has not come as yet. It should be realized that our population is growing in all our centres, and to leave any one centre having only one means of transportation is certainly not good for progress. They should even be persuaded to provide a more adequate commuter service in this particular metropolitan area of Toronto.

Mr. Whicher: That is what we said this afternoon.

Mr. Edwards: Regarding our level crossings—I am quite in accord with what was

said by the hon. member for York East (Mr. Beckett) when he spoke. I know that a survey has been made, particularly in western Ontario, and a report by the engineering staff of the Canadian National Railways at Stratford, given to me by the superintendent's office, is in the hands of the government for consideration.

In connection with the diesels—and we have some up our way and no doubt will have more—I do not think that the engineer or operator of the diesel should be alone, someone qualified should be there also, if for no other reason than this.

If any hon. member knows railroad men, he realizes that when they have had the misfortune to hit a car or a truck at a crossing, they are never the same for months after, just as a result of that. Any safety measure that can be taken to remove that possibility of having these train accidents, is certainly all to the good.

Now I want to talk about hogs. Perth county leads again in 1957, being the most important county in hog production. While hog production generally in Ontario and in Canada was less in 1957 than in 1956, Perth's production ran against the trend and rose to 202,959 hogs, an all-time record for the county. More hogs were produced in Perth last year than in Nova Scotia, New Brunswick and Prince Edward Island.

Naturally, it has been my duty to sit in with various groups in the county: federation of agriculture, hog producers, and farm forums, where marketing problems are discussed, and I have heard the pros and cons of their problems. I have at all times assured them that governments are bound, and have agreed in the past, to give them legislation to meet their needs for the kind of marketing they desire, and that whether farm marketing stays or not will be the farmers' own decision.

Perth county also ranks high in dairy products. Their cheese is of the best quality and finds a ready market at the auctions held monthly at Stratford by the cheese board.

Creameries, of which there are fewer than years ago, find it hard to maintain high production on account of the ever-increasing demand for whole milk by dairies of this Metro area. One can see possibly 8 to 10 bulk tank trucks every day in the area. It has always puzzled me why they should have to truck milk so far—90 miles and up—when we hear of so many good dairy farms in Peel and other ridings surrounding the city of Toronto. It is hoped that the day

is not too far distant when all farmers, conditions being equal, will receive the same return for their product whether it goes into the retail dairy, or for butter, or powder, or cheese.

Perth county has some very fine herds of cattle and some beautiful farm homes. They have had for many years most capable agricultural representatives and assistants. Dr. Graham, now Deputy Minister, served in the early thirties in that capacity, and started the original 4-H clubs which are so active in that area.

One hundred and forty-eight junior farmers have taken advantage of loans from the Ontario Junior Farmer Establishment Loan Corporation to the extent of \$1,070,950 in Perth county. I would at this time like to express appreciation of the promptness and efficiency shown in the procedure and operation of the loan corporation.

There are the usual very fine annual fall fairs throughout the county—and I am sure we would all like to congratulate the town and neighbouring township about Mitchell, which recently were advised of their being raised to class B fairs.

Through The Department of Agriculture many communities have taken advantage of the community grants for arenas, halls, etc. Both Monkton and Kurtzville, only a few weeks ago, had their official openings and are to be congratulated for their initiative and enterprise in their projects.

In connection with education and its problems in Perth riding, may I say that Stratford is in the process of adding to their collegiate, and like every other community is having difficulty in building within its estimates. Palmerston, only last week, commenced work on an addition of 6 rooms to Norwell area school situated there. The town of Mitchell, and even some of the townships, are planning additions or new schools.

We are very happy to have a teachers' college in Stratford—Dr. Bowers (who retired last August), with a very well-qualified staff has had many outstanding pupils pass through its portals. Being so centrally situated, it is hoped that before too long the hon. Minister of Education (Mr. Dunlop) and this government will authorize a brand new building—complete with gym, etc.—for this training college for teachers. Present facilities are most inadequate.

We hear of crowding at the University of Toronto and Western University, which are expanding along with the other major universities, and have been greatly assisted by the

government. The time would seem ripe to establish a junior university in Perth county.

This government has helped school boards tremendously and certainly spared the taxpayer and home-owner plenty.

I do believe costs are aggravated by allowing too much leeway in the choice of text books. For instance, there are 5 series of readers for the grades of the primary division—there are 4 books for grade 5 social studies. These books are not like the readers, spellers and arithmetics of our day, which cost in the neighbourhood of 10 cents. Today's texts cost 15 or 20 times as much, and this is not peanuts.

I believe a general standard course should be authorized and be uniform in our schools, and I believe these texts should be supplied in full, and that we should let the corner store sell the pencils, scribblers and other needs. The government gets all the blame for increased costs, whether it is in text books or whether it is in the building of schools.

I also believe in the structures that are being built and I think that when they get into secondary schools, the buildings need not be so rambling. I think that it should be two storeys. There is nothing to hurt that age group walking up a flight of stairs and we would not have so much roof. Somebody has said that possibly the school teachers and even the pupils would have to have roller skates if the schools get much longer, on one floor.

Regarding costs the only thing that hasn't gone up is the Hydro which we use—as a Hydro commissioner for over 16 years I must put in this plug!

Even the daily papers doubled their prices some few months ago, I must say, except the western Ontario *London Free Press*. It costs at least \$30 a year to read one daily paper; 2 would be \$60; 3—\$90. I just wonder whether—if a retail merchant overnight doubled his prices—there would not be a board of inquiry or price spread investigation ordered.

I am a retail druggist myself and often wonder if we are not over-serviced as a people. They tell me in Russia, for instance, there might be only 4 or 5 kinds of toothpaste to choose from—yet here on our shelves you may find from 50 to 60 varieties.

Mr. MacDonald: Communist propaganda now, Mr. Grossman will get after you.

Mr. Edwards: There is again the plight of all small retailers as in competition with the chains and larger shopping centres, where

the matter of hours open becomes a problem, and even conflict—and unfair to the small store owner.

Going further we find the railways even put on a half fare on Saturdays to draw the business of all the small places into Toronto to spend their money.

It was interesting to note the Bell Telephone earnings were over \$1,870,000 above 1956—more customers and higher rates. Possibly these higher rates, along with high transportation costs could be, also, a deterrent to decentralization of industry.

I would like to say that one thing that has always struck me this way and that is why the Bell Telephone rates—they do give good service yet we pay for it—are double what they were some years ago. How many of us stop to realize that we are paying a big percentage of the pension for their employees? I wonder who is paying the pension for the little fellow or for the fellow who is not in big business.

The people in my riding who receive pensions whether old age—the 65-69 pension on the means test—or the disabled, are very happy with the increased pension being paid. Our older citizens, when they do not own their own homes, do have problems greater than is often known. I would like to commend a fine group, The Kinsmen of Stratford, who last year opened their second unit of a very fine low-rental building for use of pensioners and their families. The club received an international award on their project. We have some private homes who do a fine job looking after some of our senior citizens yet I do think the time has come when these rest homes, or homes for the aged, or of that nature, should be all inspected.

It is too bad more clubs in all our communities would not follow their example. The Department of Welfare is to be commended for their work in the various departments. The unemployed insurance fund has helped many but doesn't do too much for anyone ill. It would not seem unreasonable to make monies out of this fund available for this purpose. I should also mention that I feel those widows who receive mothers' allowances should have some continuing assistance after she has her family raised and through school, and while she is not of pensionable age, being not yet 65, is unable to take up employment which would supply her with the needs for herself.

The residents of my riding are greatly interested in the hospital insurance plan which will become effective January 1, 1959. They are proud of our federal member, hon.

J. W. Monteith, the federal Minister of Health and Welfare and the co-signer along with Prime Minister Frost of the first federal-provincial agreement signed recently at Ottawa. Mr. Monteith's father, the late Dr. Monteith, was Provincial Treasurer in this House in the thirties.

Perth co-operative medical services has been in operation since 1948 and has 4,000 rural contracts in operation, providing hospital care for 6,750 persons and professional care for surgical cases to 3,800 persons. They operate most efficiently and economically and will be very well pleased to offer the use of their organization particularly to the rural areas of Perth under the new joint hospital scheme.

I have already brought to the attention of the health committee of this House the shortage of doctors and dentists in Perth county and other parts of Ontario. It will be a sorry day for Ontario when the family doctor passes out of the picture.

I might say after that health meeting I had some 17 letters coming to me from different parts of western Ontario saying that it was a very important subject and a subject that they hoped the medical association and those concerned would try to do something to see that there were ample doctor services in all our communities.

It has always been my conviction that every municipality particularly all towns and centres of 1,000 or more should have their local hospital for ordinary cases, etc. Perth county rates well in this regard—4 fine hospital and medical centres in Stratford—ably staffed and also Avon Crest as a chronic hospital.

I might say that it is very well located and right adjacent to the hospital there is plenty of room for a new Ontario hospital at any time the hon. Minister of Health (Mr. Phillips) would like to put another one in that area.

St. Marys also has a fine, well-run hospital as have Listowel and Palmerston. I think every community of 1,000 and up should have a small hospital of their own, where those ordinary services can be supplied, possibly more economically, and yet where loved ones will not be so far removed when they are ill.

These publicly-owned hospitals all do appreciate the grants made available this year again to help them in their financing.

Listowel is presently considering an addition and will be very happy with the new basis of grants for new construction.

Perth county has problems in connection with sewerage, etc., in some of its municipalities. It is hoped the federal government will authorize the completion of the Thames valley project shortly and thus alleviate the problems facing many municipalities in the area.

This province has come a long way in regard to highways during the last few years. We are most anxious in Perth riding that the progress should be general and that such projects as a truck by-pass of Stratford and a by-pass on highway No. 23 at Listowel be commenced this year. This would eliminate two railway crossings and also make a direct route—at the same time relieving the main street of Listowel of through non-stop traffic.

A request was made recently by a delegation of road committees from Middlesex and Perth to the hon. Minister of Highways (Mr. Allan) to put a by-pass on highway No. 7 from Prospect Hill, following the county road and by-passing St. Marys. St. Marys has a very difficult situation with the upkeep of 3 miles of highway on highway No. 7.

I do believe a large amount of traffic going east on highway No. 7 could very nicely be handled on highway No. 23, which should be straightened at Mitchell with the new highway No. 23 going under the railway instead of over—which is now the case—and a very dangerous and narrow overhead bridge would be used for local traffic only. Or as an alternate, highway No. 19—which runs from Stratford to Milverton through to Tralee—I hope is on call for resurfacing. This highway should be continued through to connect on highway No. 9. Perth county road committee have also requested a development road from Topping East which I hope will receive consideration.

Not unlike Toronto, Perth county, especially in Stratford had to line up while licences for cars were being secured—and I have received some complaints. If 100 people per day from January 2nd had purchased their licences, I am told there would be no occasion for line-up. However it is to be hoped that before another year rolls around, possibly a driving examination centre and licencing office in connection with the new headquarters of The Department of Highways on Huron Road, Stratford, will be set up serving the whole area.

I would like to pay tribute to the service being given by the provincial police and civil service in Perth Riding—they are a fine group

of public servants and are efficient in their work.

In closing I would again like to bring to the attention of hon. members the announcement of the sixth annual season of the Stratford Festival which this year runs from June 23 to September 13, and it is my conviction they will be very much impressed with the beautiful new building in its fine setting, and will appreciate the drama, music and concerts being offered this year.

Mr. F. M. Cass (Grenville-Dundas): Mr. Speaker, along with the previous hon. member and those who have spoken at this session in the House, I wish to congratulate you, but mostly to thank you, for your kindness and assistance to all of the members of this House during these sessions of this 25th Legislature.

I also would like to say that along with all the other hon. members of the House as they have spoken so far, I would like to add my word of praise to the hon. mover of the address in reply to the speech from the Throne, the hon. member for Peel (Mr. Kennedy). He is one of the elder statesmen of this province, and particularly to those of us on this side of the House, and I am sure he does not confine himself just to this side of the House; he has been a friend and a counsellor for many, many years.

It was very meet that at that time the hon. seconder to the address should have been my colleague from eastern Ontario, the hon. member for Glengarry (Mr. Guindon). He is one of the 3 new hon. members who have come to sit on this side of the House.

Each one of them is a worthy representative of the district from which he comes, and each one of them has added, I think, considerable to the stature of this House.

It was mentioned by the hon. member for Perth (Mr. Edwards) that we have lost certain members to the federal sphere, and I would like to draw to the attention of the House that of those members, 3 of them at least come from eastern Ontario. Now, that may be a good thing for Ottawa, but, it has not been a good thing for us here because we will miss the former member for Lanark (Mr. Doucett) very much; I know we have also missed the former member for Glengarry (Mr. Ville-neuve), and the former member for Renfrew North (Mr. Hunt), who were members of this assembly.

However, as I have mentioned, Mr. Speaker, their successors show that sign of competence even at this early time in this session that encourages us to believe that they will carry on as well as their predecessors.

Now, some time earlier during this session, I heard it said on the other side of the House that this government or this party with its some 80 hon. members was having difficulty in providing Ministerial material. I would just like to point out to those hon. members, as well as to all of us, that we have had in the House this year estimates presented by 2 new hon. Ministers of the Crown, hon. members who were last session, like many of us, back benchers, the core of the party that sits to your right, Mr. Speaker. And I defy anyone to say that either the hon. Minister for Reform Institutions (Mr. Dymond) or the hon. Minister for Mines (Mr. Spooner) in their presentations of their budget estimates and in their administration of their departments since they took over last summer, is not of top calibre.

I would like at this time to record my appreciation to the civil service of this province, whether they be here in Toronto or scattered around in all parts of Ontario. Without them, we hon. members could not operate, at least we could not satisfy our people at home, that things were being done as they should be done.

I would like also to make reference to a matter which is sometimes known as the "Maloney Formula," in connection with Hydro. I wish to say that it is not peculiar to the riding of Renfrew South, nor to its hon. member (Mr. Maloney). The hon. member for Lambton East (Mr. Janes) for many years was interested in it, as have been all rural members.

We are very pleased that the Ontario Hydro Electric Power Commission has been able to grant to those members of rural constituencies who have had the misfortune to live two concessions away from anyone else, the right to have electrical power at those wonderful cheap rates about which the hon. member for Perth was telling us, as well as the people in the city. I do congratulate Ontario Hydro on that achievement and the new policy which they have put into force.

Another thing that was mentioned by the hon. member for Perth that I would like also, Mr. Speaker, to have recorded is the fact that our hospital services commission and our hospital plan, which is shortly to come into force in this province, is I believe, and I am sure it must be, making a place for the rural medical co-operatives. These are the co-operatives which are in touch with the rural people in all our districts and have served them well. They have the confidence of the people and I know that there is a very vital place for them in the administration of the new Act,

and I am sure that they are going to be made use of.

But I would say one thing further, I hope that the hon. Minister of Health (Mr. Phillips) will take, and has taken it into account, and that is, I am sure that no such hospital plan as we have in mind can be completely successful unless it has the wholehearted co-operation of the doctors who will administer it for us, at least the vital parts of it.

And therefore I am sure that all efforts have been made or will have been made to have the Ontario Medical Association and its members enter fully into this new scheme.

One other thing that I would like to mention, Mr. Speaker, is the Ontario water resources commission and its works. We have heard many things about it and we have read in the newspapers about what they are going to do, and some of the hon. members across the House have been asking what they have been doing.

Now I would like to say right here that I know one thing that they have been doing. For many years the little village of Winchester in my constituency could not get waterworks. It did not have enough assessment, it did not have this and it did not have that, but it needed water.

And now within the last year we have had a project approved whereby the financing is being provided for us. True, we will have to pay for it, but it is being provided for us. We are test drilling now and before very long we are going to have in the village of Winchester the waterworks project which we can afford, and which we need, and that thanks to the administration which has been set up by the Ontario waterworks commission.

I was most interested this afternoon to listen to the estimates brought down by the hon. Minister for Highways (Mr. Allan) in his dual capacity as Minister of Highways and Transport. I would like him to know that during this past winter we have had some very bad snow conditions in Ontario, and that every time I go home on the weekends I find the provincial highways clear and as ready to run on as any time in the summer time.

Now I think that his department in the Ottawa and Kingston districts are to be very highly congratulated on the way in which they have been keeping the roads open for the travelling public this winter. He also should be congratulated on the excellence of the manner in which highways No. 2 and No. 401 have been relocated and built in eastern Ontario due to the seaway development. There has been very little dislocation

of traffic, either of through traffic or local traffic, and this department of the hon. Minister is certainly to be commended.

There is only one thing that I would like to suggest to him and that is that now when he is having a lot of these new highways built and as there are many in my riding, I am strongly of the opinion that there should be some overall policy emanating from his department with respect to gasoline and service stations—not only on controlled access highways but on all other provincial highways and that we should not be subjected to the array of all sorts, kinds, shapes and colours of service stations with their sometimes devious approaches, such as we have now.

I know the hon. Minister has this under consideration and I know that any such regulations made by his department will cause all hon. members trouble, but nevertheless I do think that this is something that might well be taken care of.

In his address to this House, the hon. member for York West (Mr. Rowntree) went very fully into certain matters which I, as a member of the bar also was interested in, and I must say that I agree quite heartily with his remarks that we stick to the unsatisfied judgment fund rather than go with compulsory automobile insurance.

I believe that it was demonstrated to the committee on highway safety at this session that we have in Ontario a very commendable system. I think that the amendments which have now passed the standing committee stage and will be considered by this House will go a long way towards filling the holes and placing the onus on the wrongdoer after an accident has taken place where there is no insurance.

This highway safety business is the concern of all of us, but none of us seem to take any interest in it so far as practice is concerned.

I would say this, that I think the proposed system of points which we heard the hon. Minister explaining to the standing committee on highway safety the other day, and which he explained to the House today, is a step in the right direction. I would like to say this though, Mr. Speaker, and draw it to the hon. Minister's attention, that the primary basis of British justice is that when a man has been punished the punishment should end then and he should not have to carry it with him into his later life.

I think that the hon. Minister and his department should think very seriously about the situation when they suspend and table

away a licence after a driver has reached the top point system accumulation and then when the two years have come and gone and the points are all wiped away, they start this poor soul with 5 demerit points against him.

Now this driver has lost his licence and he has paid the penalty; courts will take care of him if it has been a very bad accident or very bad driving, and I do think that this proposed regulation is not in accordance with the best principles of British justice as we know it.

I would like to say this also, Mr. Speaker, that we must have respect for the law on our highways and the best way that I know of doing that is the way the hon. Attorney-General (Mr. Roberts) and his department have been doing, that is, by the presence of uniformed officers who are courteous and firm and in well-marked patrol cars. They have a tremendous influence whereas plain clothes officers and unmarked patrol cars engender a disrespect for the law, and in many cases leave a very bitter feeling in the mind of the person who has been apprehended, as he usually considers, unfairly.

I am pleased to notice from the estimates of the hon. Attorney-General that he has more money for highway patrol and safety work, and I am sure that we will be well repaid in money saved and in lives and injuries saved.

We were very fortunate again to have the hon. Provincial Treasurer (Mr. Frost) bring down his fourteenth budget. Like all the rest of the budgets he has produced, it was a budget for the benefit of Ontario at large and for the little man in Ontario. It is the kind of budget that we hon. members can go home and talk over with our people and expect to have received with pleasure and with satisfaction.

I was most interested to see in the estimates which have come since the budget, of the work which is being done in my riding of Grenville-Dundas. I am very pleased to notice that the public works estimates include very necessary work at the Kemptville agricultural school and I would again point out to the hon. Minister of Education (Mr. Dunlop) that it is my opinion and that of many in our district, that this campus is an ideal place for a junior college when they come to be established throughout the province, as has been forecast by his department in other years.

Likewise, we are very pleased that there are places being built for our provincial

police to live. We have an exceptionally good force of provincial policemen in our counties, and housing them has been a difficult thing. There are houses being completed at Kemptville and at Lancaster down in Glengarry, and others, I believe, are under way.

There is one thing that I wish the hon. Minister of Highways would keep in mind, and that is that we have at Winchester, a patrol of highway workers keeping open and in repair highways Nos. 43 and 31, and they direly need a garage in which to store their equipment. I hope that it will reach the estimates of the hon. Minister of Highways without too much delay.

There is another matter which is of great concern to all of us, and I merely wish to mention it because the matter is acute in the united counties of Stormont, Dundas and Glengarry. We have there a very well run and very busy family and juvenile court, and unfortunately we do not have sufficient probation officers to carry the load and give the service which is necessary.

I am pleased to note in the estimates that there is provision for additional probation officers, and I do trust that one of them may be assigned at the court at Cornwall to serve our people.

I am sorry to see tonight that the hon. member for Stormont (Mr. Manley) is not in his seat. I would have liked to have thanked him for the kindness which he did to me in his address before this House last week. It is not often that one is quoted, and I was very pleased to have been quoted by the hon. member.

It is nice to know that he reads the reports that I send home to my newspapers, and for the record, since he is not here, I merely wish to say that it has always been my impression that there was an election to be held on March 31, and I do not know whether the hon. member from Stormont was aware of that when he was speaking on Friday.

I would also like for the record, to point out that not only in the past has the county of Stormont received its fair share of Ontario government money in the way of roads and other expenditures, but I notice from the estimates tabled today by the hon. Minister of Highways that there are another 13 odd miles of highway No. 401 being prepared and highway No. 8 being relocated in that county.

Now we are very pleased about that, because in eastern Ontario we all like to stick together, but I would like to make it plain on the records of this House, that this

particular county has been doing very well indeed, to the envy of those of us on either side.

With the hon. member for Stormont, I have the duty and also the privilege of representing the people of seaway valley. For a few moments I would like to speak about that particular project as it affects our people and ourselves, and I am sure that in most of the remarks I will make tonight, my hon. colleague from Stormont would wish to be associated with me, because we have very similar problems and I think we have had a very similar service from the departments of government and Ontario Hydro.

Generally speaking the people in our area who have had to be relocated, have been relocated. They are in their new towns and in their new homes or they have moved away out of the district, as many older people have done very wisely and gone to live near their close relatives.

The old towns of Iroquois and Morrisburg, Aultsville, Farron's Point, Dickinson's Landing, Moulinette and Mille Roches, are being razed. In fact some of them have been entirely taken down, others are nearly down. I would like at this point, to say that I agree entirely with the sentiments expressed by the hon. Prime Minister when this matter was under discussion earlier in this House. Generally speaking, the people are very satisfied; they have been well used, and again generally speaking, there is no cause for dissatisfaction.

I had the pleasure of being in Iroquois at its centennial celebrations a year ago, as did the hon. Prime Minister, and again I say that there was no question there, as he has told this House, of there being any dissatisfaction, or anyone who felt that they had not been properly used.

Now that is a broad statement but I would like to say, that there are still matters which are not settled in the valley. All I can say is this, that if the government and the Hydro Commission use the same amount of, I will say, common sense, and the same amount of generosity, and the same amount of understanding that they have used in the past, there is no reason why a year from now when all has been completed, should I still be a member of this House, that I cannot stand up here and say that everything and everyone is well settled and well satisfied and happy.

Generally speaking, the municipalities are satisfied. They have new towns, they have new buildings, they have new water works,

they have new schools for which they have not had to pay the capital cost. They are quite happy and I say, why should they not be, Mr. Speaker, because those of us who live in the older places, have always to contend with the old sewers, the old schools, and the old buildings.

But many of the individual property owners are finding things a bit difficult because they have moved, from the assessment for municipal tax purposes, for fire insurance purposes, and what not. They have moved from the archaic 100-year-old buildings which have been always waiting for the seaway, into an up-to-date, 20th century 1960 business place in a plaza or into a modern home. As a result their assessment has risen greatly, and consequently there is a great deal of unhappiness among the property owners in the new settlements. Now that is something, of course, which is to be expected, and it will require some sympathetic understanding and a considerable amount of assistance from the government departments which will be concerned. I am sure that they will receive this and I am sure that they will want to pay their own way and will be given every opportunity to do so fairly.

Now in connection with this great development, I would like to say a word of tribute, or in thanks, to certain officials and people involved. I think it only right that there should be a record of it on the proceedings of this House, particularly with respect to the ones whom I wish to mention, who have had a very great influence in this great work in our district.

First of all, and not of course in order of importance, I would like to say that the several Ministers of Municipal Affairs, who were in office during the term of this great development, have been very helpful. Particularly I would like to mention Mr. M. R. Sloan, the director of assessment, because one of the great problems of the seaway valley was, and is still, adjusting the assessments, so that the townships and the villages could still carry on in spite of the great loss in assessment which they have suffered and which may only, we hope, be temporary.

Then I would again like to thank our colleague here, the hon. Minister of Highways, and particularly his now Deputy Minister, and former planning engineer, Mr. W. J. Fulton.

They have done a wonderful job down there. They relocated the traffic with Hydro's assistance on new roads and there was very

little dislocation. A great deal of that credit should go to the former district engineer at Ottawa, Mr. J. B. Wilkes. I would like very much to have it on the proceedings of this House, that we owe a great deal in Ottawa district and the seaway valley to his foresight, his good humour, and his knack of getting along with municipal and other people.

Then the hon. Minister of Education and his chief director and former Deputy Minister, Dr. C. F. Cannon, had a tremendous job to do. Many of our schools were torn down. There were school areas where previously there had only been public schools and where there was a large Catholic segment of the community who now wished a new school. The public school supporters wanted their same old school back, even though they did not have as many pupils, and the separate school supporters, quite properly, wanted a new school of their own.

To their everlasting credit, the hon. Minister and his officials in the department were able to put up new schools with the assistance of Hydro and get things established so that everyone was happy. Now that is not an inconsiderable achievement, Mr. Speaker, particularly in the realm of education, and I do pay tribute to the hon. Minister and his officials.

Then there is the Department of Planning and Development. We could not have done without the hon. Minister of Planning and Development (Mr. Nickle) and his people, and I do wish to express the thanks of my municipal people and myself to the hon. Minister and to all his staff. The hon. Minister was always ready to assist, either by coming himself and looking into things personally, or by sending down officials from his department who were able to help out the municipalities and the individuals who were in trouble.

I would particularly like to mention Mr. Arthur Bunnell, who is consultant to the department and who came down many times and got us out of a lot of trouble.

And then there was a liaison officer for almost 3 years down in Morrisburg, who bore that very famous name of Frost, Mr. Stanley Frost. He did a very good job as liaison officer in that district. He was succeeded by John Wingfelder, and he had a very peculiar position because he had to be liaison officer and he had also to serve on the board of review, which the hon. Prime Minister set up for the review of offers made by Hydro to various owners of the district which were not accepted by them.

I would like to say that Mr. Wingfelder did a splendid job down there and on that

board, and I am sure that he will be an asset to the Ontario fuel board of which, I believe, he is now a member.

The one last member of that department that I would like to mention is Mr. D. F. Taylor, the planning director. In his department Mr. Taylor has just recently produced for the municipalities along seaway valley a land-use plan of the whole area lying from the Quebec border west through Brockville and we think it is going to be of tremendous interest and assistance to our people in planning the new life which we have ahead of us in this district.

Then, of course, there is Hydro, and I could not possibly let the opportunity go by without saying that, while at many times I, on behalf of my people, had to differ a great deal with the people in Hydro, Hydro on the whole did a splendid job. They did a marvelous job on engineering, and in dealing with the people they managed, as the hon. member heard the hon. Prime Minister say, and as I have said tonight, to leave us pretty well satisfied.

I think that I would like to mention that the director of that project, Mr. Gordon Mitchell, and the chief rehabilitation engineer, Mr. Herb Jackson, and their chief property officer, Mr. Harry Hustler, are 3 of the men to whom a great amount of credit can be given. They have done a wonderful job.

Then I would like also to say that in our district, we were very grateful to have the assistance of the hon. George H. Challies, who for many years was Hydro vice-chairman and who knew all the problems before he became chairman of the Ontario-St. Lawrence development commission. His advice and assistance were of very great value in the great upset which occurred in the valley.

Finally, and above all, I must pay tribute to the people of my riding and of the riding of Stormont. They were uprooted. Indeed they were uprooted, some of them very unceremoniously. They were uprooted from places where they and their ancestors had been for 150 years. One old lady of some 90 years was forced to move out of the place where she had been born and where her ancestors before her had been born and lived and died.

Yet, the people have come through that; they are re-establishing themselves. They are looking to the future with confidence and in confidence that they will continue to receive, until everything is settled down there, the sympathetic consideration and assistance that they have already received from Ontario

Hydro and all other departments of the administration of the province of Ontario.

Now I would like to say a few words about the Ontario-St. Lawrence development commission. Last week—I believe it was Friday—the hon. Minister of Planning and Development in the preamble to his estimates gave this House some information with respect to the department and with respect to this commission which is a part of that department for administrative purposes. I am sure that he would not object to my enlarging somewhat on his remarks made at that time.

It was my privilege to be appointed second vice-chairman of that commission late last fall, replacing Mr. James Smart. Mr. Smart had been director of parks for the federal government and was a very experienced and knowledgeable man, in the ways of parks and such developments. Under his guidance the original plan for the Ontario-St. Lawrence development commission's series of parks and memorials was drawn up. His experience and his knowledge of how these things are done all across Canada were invaluable and his death left a very great gap on the commission which certainly I have not been able to fill and which we have all felt very greatly. And when the parks system is finished, there will be no better memorial, I am sure, for the late James Smart than his plan which will have then blossomed into reality.

Now the commission, which is one of the newer bodies created by this Legislature, consists of a chairman (Mr. Challies), and the first vice-chairman, who is Dr. Jack Carroll from Leeds, and myself.

Then there are members on the commission representing the areas in which the lands of the commission lie. From Glengarry we have two members, Mrs. James Smith, better known perhaps as the writer Dorothy Dumbrille, and Mr. Joe Filion, reeve of Lancaster township, who represents our French-Canadian compatriots in the eastern part of the province.

From Stormont we have Dr. John A. Phillips, who is the chairman of the planning board for Cornwall area, and a very well-known and public-spirited citizen, and Mrs. T. J. Lane, who is the wife of the former very energetic reeve of Osnabruck township.

From Dundas we have Mr. Alan Farlinger, who is a descendant of one of the oldest families in the district and still lives on what Hydro has left him of the old family farm, outside of Morrisburg.

From Grenville we have Mr. T. Carl Reilly, who also comes of one of the old families in that district. And you may have noticed, Mr. Speaker, at this session of the Legislature our territory was enlarged by inclusion of two more counties, and provision has been made for the appointment of two new members to represent the new districts of Frontenac and Lennox-Addington which are being added to the commission's jurisdiction.

I may say that this committee, which acts in an advisory capacity, has been very faithful. They have done an excellent job of gathering up articles for our museum, of looking over things of historic value which might be moved into our historical villages, and of giving their advice, and I assure you very good advice, to the executive members of the commission for dealing with matters of the commission as they come up from meeting to meeting.

The origin of this park I think the hon. members of the House will remember, was contained in the promise of the government that the people would be compensated for their loss of river frontage and the parks and other amenities which they had. And that the government will do.

But the purpose of the commission has been slightly enlarged because it has been felt that there should be some method of preserving for the future the great history and tradition of the United Empire Loyalists in eastern Ontario.

You will notice from what I have said about the extent of the jurisdiction of our commission that it has been extended from the Quebec border to the Bay of Quinte, and that roughly speaking is the area in which the United Empire Loyalists who came from eastern New York state to this side settled. And they were quite distinct and apart from those who came across at the Niagara region.

As a result our commission is also now charged indirectly with the task of preserving the historical remnants and sites, if you will, of our ancestors, the United Empire Loyalists.

We have also had, or we are also about to have, added to our commission's jurisdiction that very famous tourist attraction, Old Fort Henry, which has been operated for so many years so successfully under The Department of Highways. I am sure the hon. Minister of Highways regrets they are leaving him, and I know that our commission is very happy to have old Fort Henry within its framework, particularly the director, Mr.

Ronald Way, who is a very noted historical authority and who was in charge of the restoration of Old Fort Henry and also several restorations in the Niagara parks system.

I also would like to say that I know the hon. member for Kingston, the hon. Minister of Planning and Development has a very kind spot in his heart for Old Fort Henry, and I am sure we will fare just as well with him as our hon. Minister as Old Fort Henry has done in the past with the hon. Minister of Highways as the responsible Minister.

As I mentioned a moment ago, the commission has a really tremendous project ahead and one which is not going to be completed in a day or two days or by 1960 as hon. members may observe. As they will see from the estimates which have been and will be produced in this House for the commission, there is a very great deal of work being done and work which will take a very long time.

Now I feel that our work and our objectives are divided into 3 categories. First of all there is the memorial. Now down in eastern Ontario, Mr. Speaker, we are very proud of Crysler Farm battlefield and it is to us what Laura Secord and her story over at Lewiston and Queenston Heights are to the people there.

Down there we have a federal historic site upon which is a monument to that battle of Crysler's Farm, when the British, mostly the militia from eastern Ontario, repulsed or at least prevented, the Americans from going further. I prefer the term repulsed the Americans. We consider that as one of the highlights of our traditions in eastern Ontario.

Now this site is being flooded out and arrangements were made with the federal government to have the battlefield monument moved down onto a large memorial mound within Crysler Farm Park, and I hope there will be a lovely memorial there.

There will also be a museum, patterned perhaps along the lines of the Old Fort Henry of battle accoutrements and uniforms and what-not of the days of 1812. Actually, this museum and park are on the easterly verge of the actual battlefield, and our people are still trying to find some of the burials that were made after the battle of Crysler's Farm. We have not as yet been successful, but we hope that we will because we are in that immediate area.

The first thing then is memorial; the second thing is restoration. We are now moving into Upper Canada village which is part of Crysler Farm Battlefield Memorial Park,

many of the old historic buildings in eastern Ontario, Loyalists' buildings, buildings which date back to 1790, and within reason and as far as possible they are being restored.

We will not be in the same class as Williamsburg, Virginia, or even Sturbridge Village but we hope that we will have first of all a restoration of truly authentic early-Canadian buildings and contents, and secondly that we will have a tourist attraction for our own people as well as for the people to the south and to the east of us, which will bring many people to this great province of Ontario.

And then thirdly, within the framework of the Ontario parks integration board, we are to operate a series of parks along the St. Lawrence River from the Quebec border to the Bay of Quinte. It is our hope within the framework of the parks integration board that we will have a series of distinctive parks which will be very important.

At the east side we have the entrance to this great province from Quebec; at Cornwall we have one of the great international crossings from the United States; at Ogdensburg and Prescott there is a new international bridge being erected; and at Ivy Lee we have another of the great international bridges between this country and our friendly neighbours to the south. As our park areas stretch along all these great entrances, it is our hope that we may have something there which will be worthy of Ontario and which will entice all our American visitors and our visitors from Quebec back again many times.

At the present time the park system as we have it, consists actually of three park developments. One is in Glengarry, and we could not possibly do without a development in Glengarry.

The development there, Mr. Speaker, we trust will be the eastern entrance to the province of Ontario, or the Quebec entrance and with the co-operation of the Department of Travel and Publicity and of the Department of Public Works, we hope to have the appropriate entrance facilities to greet our French-Canadian friends and our English friends from Quebec when they come into Ontario.

I know that the hon. Minister of Travel and Publicity (Mr. Cathcart) is adept at those things and I am sure there will be something there that will be a credit to our province.

And then the next park is the one at Crysler's Farm. That one is being developed as a recreational park for all the people,

but I would point out for the benefit of the hon. member for Stormont this is a park which is within 20 minutes' drive from Cornwall. It is going to be a park with all the facilities which even some of the larger cities will not have, and in that respect, Cornwall and the riding of Stormont are going to be famous.

Then, thirdly, we have a park at Brown's Bay, which is a few miles west of Brockville in the county of Leeds, and it now serves the district of Brockville. This was a former Department of Highways park, and we acknowledge having received a very nice park from the department and in a very good state of repair, symbolic of the way the Department of Highways operates in our part of the province.

In the future there is a great deal to be done in connection with parks all over Ontario. This particular development I have been mentioning is one which is going to take a long time and the one in which we in eastern Ontario have a vital interest and one which will be a credit when we are done, to this government, and to all of us in eastern Ontario, in fact to all the people in Ontario. We have hopes that it will be far enough advanced that when Her Majesty the Queen arrives next year to open the seaway, it might perhaps be possible also at that time to have our parks opened in the same area.

Before closing, I would like at this point also on behalf of our commission to express to the hon. Minister of Planning and Development, and particularly to his chief accountant, Mrs. A. V. Cameron, the thanks of all of us who work on the Ontario - St. Lawrence development commission.

For administrative purposes, as I have mentioned, we are under that department, and they have been a tremendous help to us; we could not operate without them; their experience and their guidance have made us into a good commission in a very short time, and I would like therefore to express the appreciation of myself and all others connected, to the hon. Minister and his chief accountant.

Mr. Speaker, I am very grateful to those hon. members and yourself who have been here tonight and listened so carefully and quietly to what I have had to say. It is always a pleasure, I think, for any hon. member to come before this House, and set forth the things that his people would like him to say, and set forth the record of the achievements of either his riding or that body to which he is connected in relation to this

province of Ontario. Such has been my pleasure tonight and, Mr. Speaker, I thank you and the members of the House for your courtesy to me.

Hon. Mr. Allan: Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Roberts moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to; House in committee of supply.

ON THE BUDGET

Hon. W. A. Stewart (Middlesex North): Mr. Speaker, in rising before you as one of the 4 freshman members of the fourth session of the 25th Legislature, it is with a real sense of sincerity that I add my voice to the many expressions of congratulations to you for your outstanding ability to handle the affairs of this House.

May I also congratulate the hon. member for Middlesex South (Mr. Allen) on his appointment as Deputy-Speaker of the House, and express before you, Mr. Speaker, my sincere appreciation to the hon. member for Middlesex South for his unbounded kindness to me since my election to this Legislature. Indeed, since my nomination last August, he has shared with me his wealth of knowledge gained from years of practical experience in provincial and municipal government, as well as in agriculture and business.

While I am deeply honoured, Mr. Speaker, to represent the riding of Middlesex North, I realize, as do you, the reason for my being here. We of Middlesex North who were privileged to have as our former member the late Tom Patrick were shocked and profoundly saddened at his sudden and premature death. His loss was felt throughout our riding in a way in which I cannot find words to describe.

I know from the kindly remarks I have heard of him since coming among the hon. members of this House that his warm personality is missed by all of you in this Legislature and the many departmental officials who knew him. May I express my heartfelt thanks to the hon. members of this House for the kindness, patience and good fellowship which has been extended to me as I attempt to replace one who was one of you.

Last August 7, I had the honour of being nominated in Middlesex North to contest the by-election of September 5, 1957. In speaking

to the nomination convention of some 1,200 people, I expressed the thought uppermost in all our minds that we, who were in attendance at that convention, were there as supporters to hear and to see at first hand the greatest Prime Minister in the history of our province. Now, after my election to this House, where I have seen at first hand the evidence of his outstanding leadership, may I congratulate the hon. Prime Minister (Mr. Frost), who as Provincial Treasurer as well, has presented his fourteenth budget, a budget whose magnitude is exceeded only by its ability to meet the needs of the people of this province.

In speaking of my riding, Mr. Speaker, in this budget debate, I must first call attention to the fact that it is made up of individuals and communities of widely differing interests. It is a riding rich in agricultural development, with farmers making use of a type of soil which will produce in abundance.

Middlesex is second to no other county in the province of Ontario in the production of registered seed grain. Within a comparatively small radius of the village of Ailsa Craig some 350,000 bushels of registered seed grain were grown and marketed, much of it in the United States last year. This is an annual accomplishment in a community long noted for being one of the largest beef producing areas in the province.

The town of Parkhill has the distinction of having the largest egg-breaking and processing establishment in the British Commonwealth. A few weeks ago a shipment of 6 carloads of eggs left Parkhill for Venezuela. The Parkhill Creamery is also the largest exporter of eggs in Canada. It is interesting to note that to date Canada has exported some 100,000 dozen eggs, compared to some 10,000 dozen a year ago. This is a truly great market for the egg production of the farms of our riding.

Then we have a thriving export business in turnips, or rhutabagas, should we say, in the Lucan district, with thousands of inspected bushels being shipped annually to markets in the United States. Lucan produces cash crops of corn—beans and sugar beets provide our farmers with valuable income as well.

Besides having the largest seed fair in the province, lasting 4 days, Middlesex has long been noted for its internationally famous herds of purebred beef cattle.

However, with the rapid development of the city of London and surrounding suburban

area, the fluid milk business has provided a substantial source of income the year round for many successful dairy farmers. Coupled with this has been an expanding market for breeding animals of the dairy breeds to the United States and other foreign countries.

As you can see, Mr. Speaker, we have a very diversified agriculture in Middlesex North, indeed may I say we have a thriving agricultural industry, keenly aware of the rapid and recent mechanical development affecting our industry.

This intensive agricultural picture which I have called to the attention of this House is not something which has just happened on its own. Perhaps one of the greatest reasons for the success of agriculture in Middlesex North, and throughout other rural ridings, is the assistance provided through The Ontario Department of Agriculture. Great credit should be given our Ontario agricultural representatives since the agricultural representative's branch was inaugurated many years ago. These men have wrought wonders in improved production techniques in every phase of agriculture. Farmers have been instructed and encouraged to produce with quality and in abundance.

Today we are faced with a problem of marketing—or should I say distribution. Actually there is a world food shortage. Surely the challenge which faces everyone of us is proper distribution of food rather than controlled production or wanton destruction of already existing food surpluses in a few commodities. The Gordon economic commission report on agriculture states that by 1980 our population will increase to the place where we will be short of food supplies in this country unless we have increased production.

In the matter of farm marketing legislation, may I congratulate the hon. Minister of Agriculture (Mr. Goodfellow) for the progress made in this direction. Much still remains to be accomplished, but with patience and honest effort we will succeed in forming farm marketing legislation that may go down in history as an era of development in agriculture of which we may be proud.

The extension services of The Ontario Department of Agriculture are rendering valuable service through the numerous record of performance tests which have been developed for the various types of livestock. Dairy men have long recognized the value of the ROP in building the outstanding dairy herds to be found in this province.

Farmers interested in economical production of pork realize it is an advantage to know the advanced registry rating of breeding animals to be added to their herds.

Poultrymen too have built the poultry industry, both in the production of eggs, and for the production of meat from performance testing of various strains within breeds and among breeds of poultry.

Now the latest performance test is being initiated—this time it is beef cattle. So far the tests have revealed a distinct relationship between rate of gain and economy of gain. Since rate of gain is proven to be largely an inherited characteristic, it is reasonable to assume that it can only be transmitted by those animals that have inherited it. With this thought in mind, The Ontario Department of Agriculture has set up a test station on one of the properties of the Ontario Agriculture College to test, on feed, for a period of 168 days, male animals of 8 months of age, nominated by breeders throughout the province. Applications to date have been so numerous that a supervised plan of feed testing these animals has been worked out on the local farms of the breeders. The results of this test have proven so satisfactory that during 1957 the Ontario bull premium policy was amended to provide a higher premium on bulls making an average daily gain of 2.3 pounds for the test period, than one those approved for type only.

This is a move which should place the beef cattlemen of Ontario in the position of being able to purchase a bull with a known quality of performance which could be transmitted to offspring that should gain more rapidly and on less feed than previously had been experienced.

May I congratulate the hon. Minister of Agriculture on the establishment of breeding herds of beef cattle on the government test farms in northern Ontario. Ontario cattlemen are finding it increasingly difficult to buy feeder cattle in western Canada because of the tremendous demand for beef in the rapidly developing Pacific Coast area, where proportionately, more beef was consumed last year than in the East, plus the fact that Western farmers are marketing surplus grain in the form of beef, has created a demand for feeder cattle in the West which did not exist a few years ago.

In other words, the American and western Canada feedlot operators are competing with Ontario buyers for the good feeder cattle to be found in western Canada.

Our Ontario Department of Agriculture should be commended for encouraging the production of feeder cattle of good beef type in Ontario to meet the demands of Ontario farmers who are interested in finishing cattle for the expanding beef trades in our province.

While I have mentioned production and marketing, Mr. Speaker, may I call to the attention of the hon. members of the House the interest which is being shown to a new business training programme initiated by The Ontario Department of Agriculture's farm economics branch.

Realizing the need for progress in agricultural research in the field of economics, the Ontario government in 1948 established within The Ontario Department of Agriculture the farm economics branch. Since that time, a small staff of qualified workers, specialists in their field, has been gradually assembled and their research has built up a wealth of farm management information which is forming the base for a developing programme of farm business extension. The research programme of the branch has been quite extensive, and is gradually covering all the economic aspects of Ontario agriculture.

Among the farmers of the province of Ontario, dairying is the most common enterprise, and the dairy production study has been the most extensive. Records are obtained on every herd in Dairy Herd Improvement Association work. It is interesting to note the results in one of the many counties participating in this plan.

In one particular county, the average net returns for 41 dairy farmers co-operating in the dairy herd improvement plan in the year commencing May 1, 1951 to April 30, 1952, was \$502. Five years later, these same 41 farmers in the year May 1, 1956 to April 30, 1957, had increased their average net income to \$1,992. The results speak for themselves—the same can be said for the programme right across Ontario.

Recognizing the need for accurate information gained under average farm conditions, the Middlesex Soil and Crop Improvement Association asked for, and was granted, the opportunity to set up the first farm management advisory service in the province on a farm in our county.

A young farm operator volunteered for the experiment on his 200 acre farm; may I say the results of the experiment were so satisfactory that a similar service has been set up in 33 counties across the province.

I have talked with this young farmer on numerous occasions, and he has continually emphasized the definite advantage which good farm business management and land use has meant to him in a financial way on his own farm. The hon. Minister of Agriculture indicated how well the programme is being received when in his budget address he stated that in Bruce county there are 135 farmers co-operating with the agricultural representative and his assistants in a completely supervised farm management service such as I referred to a moment ago.

It is reasonable to assume this valuable service of The Ontario Department of Agriculture will continue to expand as farmers, and particularly young farmers, keenly aware of the possibilities offered in such a service, become more fully aware of this important part of the department's extension work. May I add that short courses in farm business management lasting 3 days each were held in 30 Ontario centres with an average daily attendance of 35.

Someone has suggested that the young people of Ontario's rural communities are leaving the farms. In many cases that is true. But it has been ever thus. We are, Mr. Speaker, all very much aware of the fact that this great province has been built and maintained by the constant stream of young people, steeped in the traditions of good citizenship, who have come from the rural communities, towns and villages across the length and breadth of Ontario.

But may I assure the hon. members of the House, that in Middlesex we have been able to interest a goodly number of young farm people in staying on our farms. We had, in 1957, in Middlesex, some 20 4-H clubs, with a membership of 309 boys and girls engaged in agricultural projects of one kind or another.

To correspond with the activities of the boys' groups, we had 21 4-H girls' home-makers clubs with an active membership of over 200. Besides these clubs, we have the older groups of junior farmers and junior institutes comprised of some 300 members.

The future of agriculture in Middlesex is in good hands, largely through the untiring efforts of our Ontario Agricultural representative for the past 25 years, Mr. W. K. Riddell, and the many capable assistants he has had, and speaking of those assistants may I say that I believe the county of Middlesex, through the assistants which have come and have been trained and have been started, in the field of agricultural representative service by our present agricultural representative,

Mr. Riddell have rendered a service to the province of Ontario which is a continuing service.

A moment ago, the hon. member for Perth (Mr. Edwards) mentioned Dr. Cliff Graham as being an agricultural representative of his county. May I suggest that Dr. Cliff Graham started in the field of agriculture in Middlesex county as an assistant to Mr. Riddell some years ago.

Following him, we had a few years later, Mr. Gordon Bennett, now newly appointed chief agricultural officer of this department of agriculture. Then we had Mr. Everet M. Biggs, the present dairy commissioner for Ontario. We also had Mr. Ken Lantz, newly appointed associate director of extension. We had Mr. Fred Campbell, the present manager of the Ontario stockyards, as one of our early agricultural assistants as well.

All of those men started in Middlesex as agricultural representative assistants, and every one of them have proven, to the province of Ontario, their value in the field of agriculture.

I might add, Mr. Speaker, that in our junior farmer activities, we have been able to secure loans in the ridings of Middlesex North and South for 114 junior farmers totalling \$893,000.

The agricultural picture of Middlesex North would not be complete without mention of the London township agricultural society's annual fall fair at Ilderton. May I say this fair was the pride and joy of my late predecessor, Tom Patrick, and well it might be. I recall very well the occasion when the hon. member for Peel, who was then the hon. Minister of Agriculture, opened the Ilderton fair. Might I add, Mr. Speaker, that he, like our present hon. Minister of Agriculture, is held dear to the hearts of rural people not only in our riding, but across Ontario.

As a special feature of Ilderton fair, junior activities are emphasized. In 1957, some 200 individual 4-H club members of the county took part in the annual 4-H championship show. Some of these young people went on to compete in provincial competition. Besides these individual exhibitors, there were 10 4-H club educational displays, providing an attractive insight into 4-H club activities.

In speaking of fall fairs and the riding of North Middlesex I must certainly commend the Thorndale agricultural society for last year celebrating their 100th anniversary of the fall fair held in that village.

They provided one of the finest attractions that could be seen anywhere in the province

of Ontario, reminiscent of the days long ago. A parade of floats was held there which I believe was second to none found anywhere in this province, and it was one of the outstanding features of that very auspicious occasion.

I wish to congratulate the members of the Thorndale agricultural institute, some of whom we have the pleasure of having here with us in the gallery tonight.

In one of the other towns of my riding, the town of Parkhill, they are already making plans to celebrate their centennial next year. I look forward with a great deal of interest to seeing the progress of that fall fair and the activities which I know those people there in Parkhill are capable of presenting.

On behalf of some of the constituents of my riding, I should like to respectfully call to the attention of the hon. Provincial Treasurer and the hon. Minister of Agriculture a matter respecting the return of gas tax refunds to those engaged in providing tillage, seeding and harvesting services to farmers on a custom basis. I have been informed by my constituents affected, that prior to the increase in the gas tax from 11 cents to 13 cents that the entire 11 cent tax was refunded. Now, however, instead of receiving the 13 cent refund, only the 11 cent refund is returned. My contention is this, that if an operator is entitled to the 11 cent refund, should he not be entitled to receiving the full 13 cent refund? This is not a large item, I admit, but it is one which is proving somewhat vexatious and frustrating, and I understand exists in other ridings besides my own. It is a problem which I have no doubt can be straightened out when considered by the proper authorities.

Further, may I call to the attention of the hon. Minister of Health (Mr. Phillips) whom I should like to congratulate for his untiring efforts on behalf of the health of our people, that we in the rural areas of Ontario are most anxious that the rural medical co-ops be allowed, indeed that they be financially encouraged, to sell and collect premiums for the new proposed Ontario hospital plan.

We have had abundant evidence in the last few days of people not following instructions to get their car licences by March 12. What will happen to thousands of people, now covered by the rural medical co-ops insurance plan, when the new hospital plan comes into effect next January 1?

I humbly submit that, unless these co-ops are encouraged to carry on, people by the thousands, now covered by a reasonably good

plan will not have any hospital insurance at all when the new plan comes into effect. Let us recognize the great job done by our rural medical co-ops and encourage them to go on to do even greater things for the people whom they serve so well.

With this intensive agricultural programme carried on throughout Middlesex, it is not surprising that our people are conservation minded as well. The Thames Valley conservation authority embraces most of the county of Middlesex, and is responsible for the construction of the Fanshawe dam situated northeast of the city of London.

The lake created by this huge dam is fast becoming one of the attractive resort areas of Western Ontario, with cottages lining its banks and a lovely park, golf course, and all sorts of water sports attracting thousands of people weekly during the summer. This winter, during the cold weather, the frozen lake attracted skaters by the hundreds. However the great result of the Fanshawe Dam has been the control of the Thames River, with its long history of serious floods in our area. Since its construction, I'm sure it would be safe to say, it has prevented at least two or three floods which could have caused serious damage to property in the city of London and the urban area of London township.

Mr. Speaker, may I also call attention to the Aux Sables River conservation authority, the first in Ontario, of which the hon. member for Lambton East (Mr. Janes) has spoken. The Aux Sables authority is at present considering the construction of a dam near the town of Parkhill in the northwest part of the riding, which I have the honour of representing. The proposed cost is approximately a million dollars. Several of our municipalities are financially involved in this proposal which is very badly needed as a flood control measure for the town of Parkhill, as well as valuable vegetable growing areas known as the gardens of the New Venice Corporation and the Klondike gardens in the county of Lambton.

As the Aux Sables authority is comprised entirely of rural municipalities, with the exception of the town of Exeter, with a population of 2,000, and the town of Parkhill with a population of 1,000 people, the burden of paying for this new dam is believed to be more than the taxpayers can afford on the present basis of sharing the cost.

I understand that the province, through The Department of Planning and Development, has agreed to pay half the cost of this dam. Since, as I mentioned, this authority

is made up of rural areas, it has the highest average per capita assessed costs of any conservation authority in Ontario.

With that thought in mind, may I remind the hon. members of the House of a quotation from the report of the select committee on conservation, "That government grants to conservation authority projects be increased in rural areas," obviously because of the lack of industrial assessment. May I, therefore, on behalf of my constituents, petition the hon. Minister of Planning and Development (Mr. Nickle) to give consideration to increasing to 75 per cent. the government share of the cost of this badly needed Parkhill dam.

I would like to congratulate the hon. Minister of Highways for the consideration and effective action he has taken to remedy traffic situations in our riding which have been both frustrating and dangerous. I refer specifically to the installation of traffic signal lights at Elginfield, the dangerous intersection of highways Nos. 4 and 7 where a rechannelization of traffic has helped considerably in lessening the accident hazard at that intersection.

The expected widening of highway No. 4 to a full 4-lane highway from London to the intersection of highway No. 22 should assist greatly in moving traffic north of the city.

We of the London area greatly appreciate the announcement of the hon. Minister of Highways to build the highway extension to highway No. 401, south of the city. This is a move which will help alleviate the congestion of traffic in the greater London area.

The county road system of Middlesex, including the riding of my friend the hon. member for Middlesex South as well as my own riding, is the largest county road system to be found in the province with the largest budget for road construction and maintenance.

Our county has their own paving machine and are busy on a progressive 5-year plan of preparing and paving the county roads carrying traffic not only from our own county, but from outside our county, to London the hub not only of Middlesex but all western Ontario:

While my constituents are grateful to the hon. Minister for what he has already done, may I respectfully suggest the re-aligning of highway No. 7 south of Parkhill to eliminate two of the most dangerous corners in western Ontario, and further suggest the taking over by the province as a development road the connecting link between Clandebye and highway No. 7.

This short piece of road, now used as a short cut between highways Nos. 4 and 7, if improved to provincial standards, could provide another splendid paved road to London for traffic now obliged to use highway No. 4, and thus alleviate the obviously crowded traffic conditions on highway No. 4, especially during the summer months.

And might I add, Mr. Speaker, that in the gallery tonight we have a representative of the council of the township of Nissouri in my riding.

The hon. member for Perth a few minutes ago referred to a delegation that attended the hon. Minister of Highways in respect to a by-pass for the town of St. Marys in Perth county with respect to building this by-pass and in building a new bridge crossing the Thames River, south of St. Marys. This bridge which is on a township townline between the township of Nissouri in Middlesex county and the township of Blanchard in Perth has got to be replaced.

I respectfully submit to the hon. Minister of Highways that it is a natural course for highway No. 7 to cross the Thames River following this town line, and proceeding then in a direction to the city of Stratford, bypassing the town of St. Marys and taking the heavy through truck traffic out of that town and making it more convenient for the people of that town to get around in safety.

I urge, sir, that the consideration of The Department of Highways be given to this bridge which in my opinion is not only badly needed but it is an essential for that area.

We recognize the tremendous needs in highway development all over the province in this rapidly expanding economy in which we find ourselves, and so on behalf of my people of Middlesex North, may I, Mr. Speaker, once again express our gratitude for what the hon. Minister of Highways has already done, and is considering to do, in our riding.

Mr. Speaker, may I congratulate the hon. Minister of Public Works (Mr. Griesinger) for the effective action of the Ontario water resources commission, not only in my riding, but throughout Ontario. There is a very serious sulphur content in the water supply of the town of Parkhill. The Ontario water resources commission has already spent \$4,000 on test drilling to locate a new water supply. Although this test drilling was unsuccessful, may I say that not one cent of the cost of this drilling was, or will be, charged to the municipality, a community of 1,000 people.

Today, in Parkhill, the Ontario water resources commission are in the process of building a plant to remove the sulphur content of the water, at a cost of several thousands of dollars, which will be paid back by the town of Parkhill over a period of 30 or 35 years.

At the present time, a complete water survey of Middlesex is in progress. With the rapid industrial, and accompanying residential, growth of the London area, a serious water shortage has developed. Ontario water resources have undertaken this survey. Dr. Berry has informed me it is estimated the survey will cost \$10,000 to \$15,000, which will not be levied against the municipalities involved.

This scientific work, carried on by The Ontario Department of Public Works through the Ontario water resources commission, is providing information for communities throughout Ontario which otherwise might never be able, on their own, to undertake the enormous amount of investigational work necessary for such undertakings.

Further to these surveys, the provision of funds to provide water and sewage treatment plants, to be paid back over a long period of time ensures the continued growth of communities which otherwise are certainly doomed.

Mr. Speaker I would be remiss in my duties as a member of this House if I did not commend the realistic approach taken by the hon. Minister of Mines (Mr. Spooner) respecting pipeline legislation. In drafting this legislation the hon. Minister has, as he explained to the House in introducing his new bill, taken into consideration the practical experience of those closely connected with pipe line problems. The experience of those that have had this problem thrust upon them such as the hon. member for Lambton who spoke on this a few weeks ago; the experience which has been the problem of the hon. member for Middlesex South and which has been my problem since my election last fall.

I do not think that any of the hon. members of this House realize the difficulties which we have gotten into through the putting of those pipe lines across western Ontario, and I believe that the hon. Minister of Mines through this new Act will certainly clear up a great deal of that trouble. May I say that those who have been able to work with him in the preparation of this bill respect him and admire him for his courage and his consideration.

While I am speaking about this matter of pipe lines I would like to call to the attention of the hon. Minister of Municipal Affairs (Mr. Warrender) a problem that is close to the hearts of many of these people who are affected by these pipe lines in western Ontario.

According to the Act the municipalities crossed by these pipe lines were given the authority to place assessments upon those pipe lines and quite rightly so.

But it does, by doing that very thing cause another problem, it creates the feeling in the municipalities which is crossed by these lines among the farmers and among the people of the municipalities that everyone is benefiting from the increased assessment of those pipe lines. In one particular township in my riding, it amounts to almost \$500,000 increase in assessment.

The point that I am trying to make is this, that those of us who are living in that same township and throughout the riding which I represent who have not had the problem of pipe lines crossing our municipalities are faced with the fact that we are benefiting from the misfortune of the farmer whose property has been crossed. I believe that it would be well for us to give consideration through a change in The Municipal Act which might suggest to a municipal council that consideration be given to deducting a percentage of the assessment on the farm property crossed by that pipe line, in relation to the assessment on the line itself.

It seems to me that it would be a continuing asset for that farmer as years go on. It might mean only a slight reduction in his tax, but when that farmer goes to sell his farm, as sell it sometime he must or leave it to someone who will come after him, it will mean the farmer who has a cloud on the title of his farm, because of the rights of the pipe line across his property, will also have a type of a continuing asset in a slight reduction in his yearly taxes. I believe that it is worthy of consideration.

Before closing, Mr. Speaker, permit me to mention our educational institutions of Middlesex North. We are very proud of the University of Western Ontario, situated on what we believe to be the most beautiful university campus to be found anywhere in the country. Our university is presently engaged in a \$6.5 million fund-raising campaign for an expansion programme to take care of a rapidly increasing enrolment.

In this session of the Legislature, we have given third reading to a bill establishing

Huron College, the theological institution of the Anglican Church, as a full degree-granting college, another real asset to Middlesex North. Indeed I might say that in Middlesex North we have the very centre of educational culture for all western Ontario, because in addition to the institutions of higher learning already mentioned, we have the new Ontario teachers' college, St. Peter's seminary, Brescia Hall, which is a Catholic college for girls, Christ the King College, and Mount St. Joseph Mother House Academy.

It is reasonable to assume that many of the hundreds of new families moving into our beautiful new residential sub-divisions, near the city of London, in Middlesex North, have come there because they wish their families to have the opportunity not only of attending our new modern, elementary and secondary schools, but of attending our institutions so capably caring for the needs of higher education in our area.

Mr. Speaker, I wish to thank you and the hon. members of this House for the very gracious and the very kind attention which has been given to me in this my first address in this House, in these rambling remarks, I have made some remarks on the affairs of our riding, a riding which I represent and which I trust I have called to the attention of all concerned, the fact that this province has a progressive, in the fullest sense of the word, Conservative government of which I am happy to be a supporter.

It is a government dedicated to the well-being and prosperity of the common ordinary individual, it is a government succeeding in its task of providing government of the people, for the people, by the people.

Mr. J. A. McCue (Lanark): Mr. Speaker, I should like to speak to this House tonight on a subject which I believe is of vital importance to the people of this great province of Ontario.

Before announcing this subject or beginning to talk on it I should like to say to all hon. members of this House that I realize the time is late. We have all worked very hard from morning to night and I do not wish to belabour the hon. members of this House by making any great long speech. I will try to be short and concise and to the point, but nevertheless I think I have a message to give to this Legislature and to the people of Ontario which as I stated before is indeed of vital importance.

My subject is the position of the general practitioner or family doctor in the present

day scheme of medical affairs as it exists in this province. There are in Ontario today approximately 7,500 doctors licensed to practise medicine. Of this number approximately 50 per cent. are general practitioners—the remaining 50 per cent. are specialists plus those doctors who are engaged in institutional works of one kind or another.

The trend towards specialization began to develop and increase greatly about the 1920's and has reached what I believe is an unwieldy and overbalanced proportion of the medical profession today.

While there may be in my opinion too many specialists, nevertheless as a general practitioner I wish to pay my tribute of appreciation to the specialists. They are, if in the proper proportions, in most instances a dedicated group within our profession who have had the desire to follow one particular line of medicine and make themselves proficient in it so that they know as much as current knowledge will permit in that specialty.

To a man in general practice, their wise counsel in consultation over a difficult case is of the greatest help to the family doctor and to the ill patient. I know from personal experience how glad and relieved I have often been over a case about which I was particularly worried to have a specialist come in consultation with me to aid my patient.

So I pay my respects sincerely to the specialists in my profession as a most indispensable and important segment of it.

However there is the other great segment of the medical profession—the family doctor or general practitioner—the segment to which I have the honour to belong for over 20 years.

They are the doctors, and mark this well, whom I believe are closest to the people. Their first and greatest aim should be—and I believe it is—to dedicate their lives to giving service above all to the sick and ailing of the population. This service must be complete 24 hours a day and 7 days a week.

It is my belief that this is what the family doctors are sincerely trying to do all over this province. There may be the odd exception because we are all human, and this may produce a quick reaction from a patient who is emotionally upset and worried, and understandably so, over his own illness or that of one of his loved ones. Occasionally such matters are seized avidly by the press and a whole group of men who are working

quietly and continuously are condemned for the action of a tiny minority.

I submit that nearly all family doctors are conscientiously doing a hard and fatiguing, but indeed gratifying job for their patients. Because of this there develops what has come to be known as the "patient-doctor" relationship. When a patient becomes ill he or she becomes worried and psychologically upset—to be able to go first to the family doctor and to sit down and receive a sympathetic and understanding hearing of those problems in the back of that patient's mind—problems which he is frightened of and which he often will not discuss with anyone else—these things make a good family doctor a most indispensable part of the community.

The family doctor must be like the minister or priest in that he becomes often the repository of the innermost facts and problems of a patient's life—and these the good physician can be trusted never to reveal outside of the four walls of his consulting room.

Sir William Osler, who might be called the father of the modern era of medicine—and certainly one of the greatest physicians of all time—often stated that medicine must never be looked on purely as a science—but also as an art. That is a great truth and a good family doctor will develop that art of handling his patients with kindness, sympathy, reassurance and support to the ill person.

Because of the existence of the doctor-patient relationship, as I have tried to explain it, there is a condition existing in this province today which I believe is unjust and completely intolerable. That is the fact that there are many hospitals in existence today which will not allow a family doctor to become a member of their staff nor to treat any patient of theirs within the hospital. In the type of hospital of which I speak he cannot have the services of his own doctor. He is stopped at the front door—no matter how much the patient may want him as the doctor he has confidence in.

I would say, Mr. Speaker, to all hon. members of this House that I think one of the greatest things (and I am not reading any notes now, I am talking from what I know) is that a doctor can have the confidence of his patient. I often have said to patients, "if you will have confidence in me, I will do everything I can for you, if you have not confidence in me for goodness sake get another doctor".

But there are in this province today people who want their own doctor and cannot have him because he is not on the staff of the hospital and they have to be turned over to a stranger. Now I am going to go back to my notes.

He must be turned over to a specialist who while being technically very capable of diagnosis and treatment does not often possess the patient's confidence. Now I do not mean to criticise when I say that. I know many specialists who are the kindest men and in whom you would have the greatest confidence, I am not being critical like that, but the point is if a sick patient psychologically upset is turned over to a stranger, I do not think it helps them—that is the only point I need make on that.

The specialist, often being a complete stranger has not had the opportunity to know the patient's background, his worries and fears which his family doctor has had, and who has been left at the front door of the hospital.

As a result of this situation there was formed, I believe about 1950, a section of general practice within the Ontario Medical Association with one of its prime objects being the tackling of this problem which I have been relating.

This was quickly followed by the development of sections of general practice within the provincial medical associations of a number of the other provinces.

Then developed the formation of a section of general practice within the Canadian Medical Association—finally we now have the College of General Practice of Canada.

This is headed by Dr. Victor Johnston who has been a most outstanding figure in the promotion of the elevation of the general practitioner. A family doctor of sagacity, wisdom and experience he gave up a busy and successful practice to head the college of general practice and I wish to pay tribute to him publicly before this House tonight for his great efforts on behalf of the general practitioners of this great province of Ontario.

The objectives of the college of general practice while numerous might be simply summarized into two main ones—firstly the encouragement of the family doctor through regular post graduate work to keep himself aware and abreast with the newest developments in medicine and thereby benefit his patients—and secondly to encourage the development of sections of general practice within those hospitals which have not permit-

ted the family doctor to work within their walls.

This has met a certain degree of success in a number of hospitals, but there is still a great need for many hospitals to recognize this problem and deal with it by setting up these sections of general practice within their structure.

In many smaller hospitals in this province the situation is reversed and there are nothing but general practitioners on the staff. A well trained general practitioner is capable of handling 85 per cent. at least of his cases.

This, many general practitioners are doing and doing well in the smaller hospitals of this province. There is no reason that in the fields of general surgery, medicine and midwifery that he should not be capable of treating his patients in hospital and I will say to this House that there is not one per cent. of general practitioners who would exceed their limitations.

That in certain areas a man who has spent possibly at least 8 years of his life in training to become a doctor should be put in the position that all he is allowed to do is to practice in his office and make house calls is a condition which makes him a second class medical citizen that is at once demoralizing and degrading and devastating in a medical sense. This is a condition which I contend lowers the standard of the practice of medicine in the overall picture in this province. By giving him hospital status he is encouraged to participate in all aspects of the treatment of his patient and to gain experience, making him a better doctor.

Here we are, Mr. Speaker, at a time when this province is expanding faster than it ever was in its history, talking about a shortage of doctors, and yet there is a certain amount of medical talent in certain areas in this province which is denied its proper release and the public are therefore suffering from a lack of this treatment, which these doctors are willing and ready to give if they are given a chance.

I have no axe to grind because I have been a past chairman of hospital boards in the town I live in, I have done surgery and medical work all my life, I have not had any of these problems personally, but I am here to speak and I think it is about time that somebody got up on their feet and spoke on behalf of these men who I think are getting choked off in their medical efforts.

I believe as a private member that thought could well be given by this Legislature to this matter. It is my own personal feeling

that I would like to see legislation introduced which would require every hospital board at present not doing so, to take the family doctor onto their staffs. In other words *let the doctors into the hospitals* wherever they now cannot do so—why should there be any medical caste system anywhere? Why should there be any discrimination in a democracy such as ours?

In conclusion I desire briefly to comment on the shortage of doctors in the rural areas of this province.

My opinion is that the remedy for this situation is the production of more general practitioners and the development of more small rural hospitals for these men to work in.

Because I tell you, Mr. Speaker, and all hon. members of this House that the practice of medicine today is not the practice of going in and giving the old mustard plaster; when you give some of these high potency drugs to patients you have to have them in some place where you have some means of checking and controlling what you are doing. You cannot just go off and keep somebody home one day and say, "take this", because when you do, you are creating some danger for your patient.

Put those two factors together and I think we will produce the answer—and then we will have all of the people of Ontario well looked after all of the time, which I am confident is the desire of this great government of Ontario.

Now, Mr. Speaker, this will probably be the last time I will rise during this session, but I just want to say one thing and I say this in great sincerity before I take my seat. I am just a new member of this House, and happen to be the third medical man.

I want to say this, that as a medical man I think the present hon. Minister of Health (Mr. Phillips) we have, is the greatest Minister of Health we have ever had in the history of this province. He is not only a beloved figure to all hon. members of this House but he is a humanitarian, he is a man who has practised the same type of medicine as I have, he has done his surgery and medicine and obstetrics in Owen Sound, and he is a real doctor, and if I were ever sick I would be proud to have him look after me.

And I also want to say this, in tribute to another great medical man who sits in this House, and I refer to the hon. Minister of Reform Institutions (Mr. Dymond) who like myself is an old Queen's man, and that

made us pretty good friends right away, I just want to say I think in my discussions with him on these topics that he also is a medical man who might, like myself, be better back delivering a baby tonight.

Mr. D. J. Rankin moves the adjournment of the debate.

Motion agreed to; the House resumed.

THIRD READINGS

The following bills were given third reading upon motions:

Bill No. 3, An Act respecting St. Peter's Church, Brockville.

Bill No. 25, An Act respecting St. Michael's College.

Bill No. 30, An Act to incorporate the Society of Directors of Municipal Recreation of Ontario.

Bill No. 37, An Act respecting the Town of Almonte.

Bill No. 41, An Act respecting the City of Hamilton.

Bill No. 132, An Act to amend the Coroners Act.

Bill No. 133, An Act to amend the Police Act.

Bill No. 138, An Act to amend the Corporations Tax Act 1957.

Mr. Speaker: Resolved that the bills do now pass and be intituled as in the motions.

THE SUCCESSION DUTY ACT

Hon. A. K. Roberts moves second reading of Bill No. 139, "An Act to amend The Succession Duty Act."

Motion agreed to; second reading of the bill.

He said: Mr. Speaker, on this bill, I think it is clear to the House that this amendment provides for the payment out without waiting for the consents from the succession duty department in case of estates of \$2,500 by any one insurance company with respect to any policies of insurance.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, may I ask whether the government gave any consideration to the many representations that are made upon it to increase the overall exemptions?

Hon. Mr. Roberts: The federal authority is acting on this matter, but the federal Act is not in effect and will not go into effect until some considerable time hence, so I think that probably until that Act has been definitely settled, we would be wise to bide our time.

Mr. Wintermeyer: Has any consideration been given to exempting one-half of an estate, as being that portion owned by the—or earned by the—wife?

Hon. L. M. Frost (Prime Minister): I think that the situation is very plain. Any administration has to get money and, after all, a succession duty tax is a fair tax. If you were to follow the principle of exempting half of any estate, you can see what that would lead to. A million dollar estate would mean half a million dollars that would be succession duty exempt. It would have first of all a tremendous effect on the revenues and I really do not think that it is justified. Now the practise we follow in Ontario—and we introduced this amendment or this principle some years back—is that no taxes are payable out of the first \$50,000.

It is true that if the estate runs over \$50,000, then of course the tax is payable, but so as not to infringe upon that first \$50,000. It may be that that amount is not sufficient, perhaps it should be raised, but at the present time if we raise that amount, the federal authorities get the money because there is no deduction of 50 per cent. I think my friend would see that it is certainly not to our advantage to do that.

Another thing is this, a straight exemption, as my hon. friend will see, is an exemption which really comes off the last amount of money in a large estate. It comes off the highest tax amount and I do not think that we would go for a straight exemption of \$50,000 or \$75,000, but I think that we might consider the raising of the present floor from \$50,000 upwards but that would depend, of course, upon the changes being made in the federal Act.

THE RACING COMMISSION ACT

Hon. Mr. Roberts moves second reading of Bill No. 140, "An Act to amend The Racing Commission Act."

Motion agreed to; second reading of the bill.

He said: This bill provides it is really not any extension of the present powers of the

commission but rather it is providing that they should file their rules and when they file them with the registrar of regulations then they take effect and they are on record.

The racing commission has as I think all hon. members know, a very responsible job to perform here in this province and it is essential that they be in a position to discipline those who are engaged in the racing business, because if that were not possible then of course many different resorts could be taken which might very well in the hands of unscrupulous people defraud many of the public who go to the races. I think that is the main reason why one has to have fairly strict disciplinary powers in the commission.

The commission is made up of some four members and they are responsible citizens. We have one member in the House on that commission and this bill has been discussed by the commission today with people who have made representations concerning it and when it goes into committee I propose to recommend certain amendments in the committee stage that I think will put the bill in a position where those who have taken issue with it as it now stands will be satisfied with it or at least the commission will have made an effort to meet them part way.

At the present time the effect of these amendments when they are presented would be to strike out section 11B as it appears in section 2 of the bill and to provide the section 113 something to this effect—Provided that in every such case the applicant or licensee shall be afforded an opportunity of appearing before the commission to show cause why the licence should not be suspended, revoked or denied as the case may be.

Mr. D. C. MacDonald (York South): It is somewhat difficult to discuss the principle without having the full details of these amendments because these amendments may well meet some of the objections I had in mind.

The hon. Minister and other hon. members of the House may be aware of the fact that there have been protests made by people interested in this whole field. Partly the protest is that you are giving far greater powers than are necessary. In the *Toronto Daily Star* on March 15, Mr. Sherrington, President of the NBPA said a protest would be made against broadening of the rights of the Commission. His comment was that "the laws of the commission should not supersede the laws of the province," which seems to me to be a pretty valid point. There is

another general principle on which I would like to ask the hon. Minister a specific question. It has been represented to me that one of the objectives of these broadened powers is to make it possible for the commission to discipline certain personnel who work around the tracks and who are considering a union. These powers would make it possible to increase the difficulties for the union. In fact, if these penalties are left in the bill, persons seeking to organize the union of their choice could be fined.

Is the hon. Minister aware of any such situation—that these broadened powers might be used for such a purpose?

Hon. Mr. Roberts: No it is my understanding that this bill does not widen the powers beyond what they have at the present time. They have very wide powers under section 3 which is being repealed now. Section 3 reads of The Racing Commission Act of 1950:

The object of the commission shall be to govern, direct control and regulate horse racing in Ontario in all of its forms.

Then section 11 of the Act sets out the powers of the commission to do various things. Now as this section is now before the House in Bill No. 140, I do not think that it has the effect in itself, of widening the very wide powers that they have had right along, but I do think that it has this advantage. Before any of those rulings are affected they must be filed with the registrar of regulations and they are then on record that everybody knows what they are.

Now that is a move—it is not making them a regulation where they would have to come and be passed before a Cabinet or something of that sort, to be effective, but it is a move towards making them available to all who want to know what their rulings are, and then with the amendment which I propose to submit, every person who is affected on any application for suspension, revocation and so forth, has a right to come and be heard before the commission, before the decision is made.

I would think that that ought to meet the situation and in committee we can deal with it in more detail.

Hon. L. M. Frost (Prime Minister): I was just going to say that I am anxious that these provisions should be fair and that those who are affected by these regulations should be treated justly. I am not anxious to give the commis-

sion any powers that are broad and arbitrary and unfair. May I say, that when the matter comes up in committee, I am perfectly prepared that the principle of this whole thing should be discussed in the light of the amendments as then made. I think the point of the hon. member for York South that this should be considered in the light of the amendment is fair and I am prepared to look at it from that standpoint.

My understanding of it is this, that presently the commission has broad powers of making rules under the section referred to. The effect of this amendment is to put the rules in the position of being regulations, and having the force of regulations, and they would be filed with the Registrar and would be available and would be rules that would be properly passed and properly promulgated. I think that is the point.

Now if such is not the case I do not intend to rush this matter—it can be considered at that time.

I would say that the amendments could be introduced and, as a matter of fact, the hon. Attorney-General could give the Opposition and other members of the House, copies of the proposed amendments, so they would be in the books and so that they would be available for discussion and perhaps could let it be known that these are the proposed amendments and then could call this matter for committee consideration, say at the beginning of the week.

Mr. MacDonald: Mr. Speaker, I am mindful of the rules of the House on second reading, and I do not want to transgress them by getting into detail, but just let me draw to the attention of the hon. Attorney-General one clause here which I think illustrates this whole worry of how conceivably there are powers that are much broader than are necessary and might be used for other purposes than was originally anticipated.

Take 1101 in section 2:

The commission may make rules governing, controlling and regulating the racing of horses in any or all of its forms, the operating of race tracks and the activity of all classes of persons having to do directly or indirectly with the racing of horses or with race tracks.

That section provides power to discipline every single person who may be hired, if words mean anything, for any purpose at all around the race track. I just draw that to

the hon. Attorney-General's attention as an indication of what may conceivably be too broad powers.

Hon. Mr. Roberts: The hon. Prime Minister suggests that perhaps this might go to legal bills committee and if the Opposition would like that, we can have a special meeting of legal bills to deal with it. Actually, I might say to my hon. friend that what he has read out there is exactly what is in 11 only it is in 2 different parts of 11 as it now is. The rewording in this bill now is not widening what they have already got, but what they have already got might be considered too wide.

Hon. Mr. Frost: I think this might go to legal bills committee.

Mr. Wintermeyer: Mr. Speaker, I would like to refer to subsection 11 A:

The commission may deal with any matter within its jurisdiction, either in public or in camera, and for such purpose has all the powers that may be conferred upon a commissioner under The Public Enquiries Act.

Now I would ask the hon. Attorney-General whether he does not think this is going altogether too far. It seems to me that surely as we expand our commissions, and it is understandable that we have to, there is no justification for camera proceedings which cannot be reviewed, which cannot be appealed, which cannot be pursued anyway by any individual affected.

Hon. Mr. Roberts: We are going to send it to legal bills, and I would say that we will ask the members of the racing commission to be at legal bills and tell us just why they need all this.

Hon. Mr. Frost: I might say, sir, in referring this bill to the legal bills committee, that the Ontario racing commission comes under the Treasury and at the present time I am the Treasurer. I got my lawyer to guide this bill through the House. I may say that I do not have any strong feelings about this bill myself, and I would like you to take it to legal bills committee. I think this is the chairman here, the hon. member for Waterloo South (Mr. Myers).

I would say that this bill can be put through the wringer and we can see just what this requirement involves. If it goes

too far—I must admit that I look at a section like the “in camera” section and I wonder just what is the purpose of having something that may affect a citizen conducted in camera unless there are very full rights of appeal, which of course may be in the Act. I remember I did introduce The Racing Commission Act myself a number of years ago. I think it was 1950, but I forget the terms of it. If there are not proper rights of appeal, I would like to see that there are rights of appeal. I would say, sir, that it will go to the legal bills committee and I would like to have this looked at and it can be gone through, as I say, with a fine tooth comb. I have no opinions other than that we should give the commission adequate powers to deal properly with these things.

THE COUNTY JUDGES ACT

Hon. Mr. Roberts moves second reading of Bill No. 156, “An Act to amend The County Judges Act.”

Motion agreed to; second reading of the bill.

He said: Mr. Speaker, I would like to comment on the general principles of this bill and to perhaps give some indication of the thinking that has prompted the bill, that it might lead to some further developments in connection with this part of the administration of justice. It will be observed that the language chosen in providing for an increase in the number of county court and district court judges in the province, is such as to render the provision quite flexible.

This is in keeping with the study which has been under way by the officers of my Department in order to insure that the organization of our county and district courts is such that the judges are working under conditions which will produce the best administration of justice.

Those of us who are familiar with the workings of the court are fully aware of the variety of functions which our county and district court judges are called upon to perform in the daily discharge of their duties. They not only must engage in both civil and criminal trial, sometimes with a jury and sometimes without, and look after the incidental interlocutory matters that arise, but they must also go about the county or the district presiding at the division courts or small debt court sittings, which are not restricted to the county or district town.

The county and district court judges also perform special duties under various provincial statutes. While our county court system is fashioned after that of England, a comparison of the functions of the county court judges there and here, discloses a substantial difference in the duties performed.

For example, in England, the criminal aspect of the work is taken care of by a body of judges known as recorders. The interlocutory work is done by the registrars of the court. The circuits of the county court judges are not restricted to a single county.

The county court judges function also as special divorce commissioners of the high court, and it will be seen that in various other ways the functions of our county court judges, and those of England, vary to a considerable extent.

I might say that when I was looking into the number of judges that we have here, and comparing them with the number of judges that they have in England and the much greater population over there, for a time I was rather wondering how they did their work there with some 68 judges against 64 here, but as I have already indicated, there are recorders and registrars who do a great deal of the work of judges there, and the judges themselves do pretty much circuit work exclusively and these other matters which I have just mentioned.

The one thing does stand out however, namely, that in England there is a vesting in the Lord Chancellor of a sort of supervisory jurisdiction which is quite unknown here in our county and district court setup. It is well recognized that under the late Chief Justice Vanderbilt of New Jersey and following the revision of the state constitution there some 10 years ago, the courts of New Jersey came to be regarded as something of a model for their efficiency in operation, and the courts administration.

The New Jersey system has been studied far and wide. The general supervisory jurisdiction of the Chief Justice of New Jersey over the various courts bears a considerable resemblance to the English situation. Particularly active in improving the administration of justice in the courts is the state of New York, where a temporary commission in the courts was created by legislation some 5 years ago.

What was really the first act of that temporary commission under the chairmanship of Mr. Harrison Tweed, who is a very well known citizen there and who has been quite well recognized here in Canada as well, was

to recommend the establishment of a judicial conference. The judicial conference comprises the chief justice of the state and the presiding judges of the various appellate divisions as well as a certain number of trial judges.

It also includes the chairman of certain of the committees of the Legislature who are, however, non-voting members. While it would take longer than I have time here for tonight to discuss the functioning of such a judicial conference, with the type of administrative functioning that is carried on on the one hand, by the Lord Chancellor in England, or the chief justice as administrator of the courts in New Jersey, I would like to say this. These are institutions which we do not now have in Ontario. When we find on the one hand in England, where we are inclined to regard the administration of justice both conservative and efficient, the Lord Chancellor has a supervisory jurisdiction over the various courts, and on the other, in certain of the United States, where studies are being made in order to render the courts more efficient, they have such institutions as a Chief Justice administrator and a judicial conference.

Perhaps the time is coming when we might very well look into the institutions, both of the mother country and the democracy to the south, with a view of seeing whether there is any room for improvement in our own system.

That study will be continued by senior officials of my Department and by myself. In the meantime, the bill, which is now before the House, will permit wider and more efficient use of the county and district judges under our present system with flexibility for the future, and will allow for some 6 additional appointments of the federal authority, if the federal authority enacts complementary legislation.

RAISING OF MONEY ON CREDIT OF THE CONSOLIDATED REVENUE FUND

Hon. Mr. Roberts moves second reading of Bill No. 165, "An Act to authorize the raising of money on the credit of the consolidated revenue fund."

Motion agreed to; second reading of the bill.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House, may I say that tomorrow, as I announced to the House yesterday, we will have the estimates of The Department of Lands and Forests and, later, the estimates of The Department of Planning and Development, which were adjourned last Friday.

Mr. Oliver: Later, did he say?

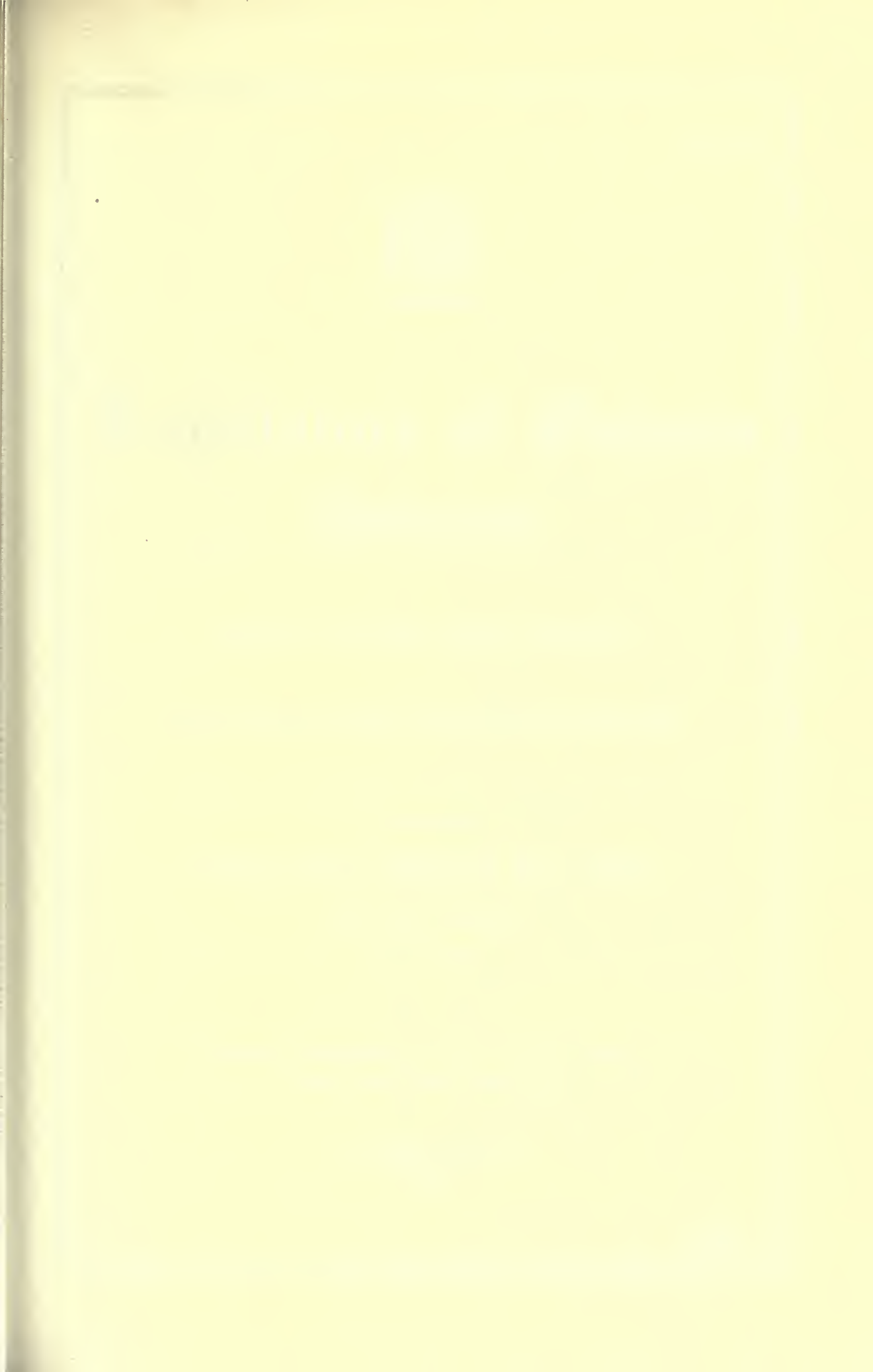
Hon. Mr. Frost: Well, we will take The Department of Lands and Forest first, and then follow that with The Department of Planning and Development. Now it might be that The Department of Planning and Development would be taken in the evening, and we would put in some Throne speeches following, if there is any time, or we might take some of the bills on the order paper.

There is the conclusion of the Throne debate tomorrow and the vote. That would be taken first—I am awfully sorry. The Throne debate first and the vote on that, followed then by the business I mentioned.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.50 of the clock, p.m.





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Thursday, March 20, 1958
Afternoon Session

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1958



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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 20, 1958

2 O'CLOCK P.M.

And the House having met.

Prayers.

Clerk of the House: Mr. N. Whitney, from the standing committee on printing, presents the committee's report and moves its adoption.

Your committee recommends that the supplies allowance per member for the current session of the assembly be fixed at the sum of \$50, and that, to meet the convenience of the hon. members, this amount be issued to each hon. member of the assembly in order that he may make the desired purchases in his own constituency.

Also that an amount be authorized and a cheque be issued to each of the full-time daily newspaper representatives covering the session of the legislative assembly, as nominated by the press gallery and approved by Mr. Speaker.

Your committee recommends that copies of the *Canadian Parliamentary Guide*, *Canadian Almanac* and the *Canada Year Book* be purchased for distribution to the hon. members of the assembly, and also that each hon. member be given a year's subscription to the *Labour Gazette* and to the *Ontario Statute Citator*.

Your committee recommends that the following sessional papers be printed for departmental use and distribution:

Accounts, public	1,825
Agricultural College, Ontario, report	975
Agriculture, Minister of, report	2,475
Agriculture, statistics branch report..	7,175
Auditor's report	525
Civil service commissioner, report....	375
Education, report, 1956	1,275
Education, report, 1957	1,375
Estimates	1,400
Highways Department of, report	1,275
Labour, Department of, report	1,275
Legal offices, report of the inspector	725
Liquor control board, report	575
Niagara parks commission, report.....	400
Ontario northland transportation commission, report	185
Police, provincial, report of the com- missioner	425
Public Welfare, Department of, report	1,375
Public Works, Department of, report	600

Continued

Reform Institutions, Department of, report	890
Reform Institutions, training schools, report	990
Toronto University, report	250
Veterinary College, Ontario, report	2,775
Workmen's compensation board report	3,175

Motion agreed to.

Mr. Speaker: Introduction of bills.

THE UPPER CANADA COLLEGE ACT

Hon. W. J. Dunlop moves first reading of bill intituled, "An Act to amend The Upper Canada College Act."

Motion agreed to; first reading of the bill.

He said: This bill provides that the board of governors of Upper Canada College may borrow such money as may be necessary to demolish the building which has now become uninhabitable and to build new buildings.

Under the old Act, which has governed Upper Canada College for a good many years, there is a provision that the board of governors may not spend in one year on additions, renovations, and permanent improvements, more than \$100,000, which is now not sufficient to carry out the work which must be done.

THE MUNICIPALITY
OF METROPOLITAN TORONTO
ACT, 1953

Hon. W. K. Warrender moves first reading of bill intituled, "An Act to amend The Municipality of Metropolitan Toronto Act, 1953."

Motion agreed to; first reading of the bill.

He said: This is the bill which embodies some of the recommendations made by the committee which has to do with looking into Metropolitan Toronto's affairs.

I think I should go over some of these sections, and I might add that all of the recommendations are not suggested here at this time, or it is not suggested that we implement them by legislation at this time, by reason of the fact that there are several recommendations there which we feel should have the further consideration of the area

municipalities. At this time there is one here, subsection 2A, which provides that where the metropolitan council failed to fill a vacancy in the office of the chairman, as required, then the Honourable the Lieutenant-Governor-in-council may appoint the chairman to hold office for the remainder of the term of his predecessor.

Another amendment reads that, where the chairman is a member of the council of an area or municipality, he may resign from such council without resigning his office as chairman.

There is another section here which authorizes the metropolitan council to appoint an executive committee who sets out the powers which the council may authorize the executive committee to exercise.

Now the main principle here is that it would be something like a board of control in a city. The executive council having to do with initiating metropolitan council matters would be empowered to do certain things as set out in The Municipal Act similar to the powers given to the board of control. They do this by the procedural by-law. This is to make it statutory.

Section 125 has an amendment which sets out 4 different types of pupils in high school areas rather than the 3 which are now shown for the purpose of getting maintenance assistance grants.

There is a new section to clarify the power of the board of education of the metropolitan area, to transfer property acquired for public school purposes to secondary school purposes and vice versa.

There is one here where the board of education in the metropolitan area may rehabilitate or renovate any school buildings under its jurisdiction, and the same shall be deemed to have permanent improvements for the purposes of this Act.

The metropolitan council may make grants in aid of capital or current expenditures to any public library board in an area or municipality which in the opinion of the metropolitan council provides library services to residents of any other area or municipality.

THE ONTARIO MUNICIPAL BOARD ACT

Hon. Mr. Warrender moves first reading of bill intituled, "An Act to amend The Ontario Municipal Board Act."

Motion agreed to; first reading of the bill.

He said: This is a rather important section, so I will read it and then give some explanation.

The Honourable the Lieutenant-Governor-in-council, on a recommendation of the chairman of the board — that is, the municipal board—may from time to time appoint as an acting member of the board a person who, in the opinion of the chairman, is especially qualified to assist the board with respect to any particular application to be signed by the chairman.

This person, so appointed, will act with any two members of the board for the purpose of hearing and determining such application, and the person so appointed shall have all the powers of the members of the board for such purpose, and shall be entitled to such remuneration as the Honourable the Lieutenant-Governor-in-council may authorize.

The thinking behind it is that the Ontario municipal board at the present time, as everyone knows, is extremely busy with the multiple applications they receive. It has been thought that, because of the difficulty of getting persons to act on the municipal board, the chairman should be empowered to pick certain persons with certain special qualifications who, on going into a certain area knowing that there is a special problem to be met, would appoint a person to sit on that board for that purpose.

In that way, not only will it assist the municipal board in dealing with the many matters that come before it, but in addition they will have the experience and qualities that this new member—who was asked to sit for that purpose—would have.

There is another suggestion. It has been recommended that there be an amendment authorizing the board, upon the request of the Honourable the Lieutenant-Governor-in-council, to conduct an inquiry into the reorganization of municipal governments in any designated area. I am told that, up to now, there has been some doubt as to whether the Ontario municipal board had this authority, and this is to make it clear that it does.

Now, in addition to that, there have been a great many requests from various parts of the province—namely London, Sudbury, St. Catharines, and many others I could mention—to have us consider whether there might be some other way of dealing with annexation or amalgamation problems, rather than just on a straight case of an application either for or against. We have been asked to consider whether there might be some other way of dealing with it than on a straight, shall we say, Metropolitan Toronto basis.

This will enable the board to go into a designated municipality, consider the problems peculiar to that area, and perhaps come

up with a solution which might not be annexation or amalgamation, might not be the metropolitan form of government, but might be something in between those two which would fit that particular problem.

This amendment is designed to assist the government to have these inquiries take place, so that proper solution can be arrived at much more quickly than in another way.

Mr. T. D. Thomas (Oshawa): Would it be extended to take in an inquiry into the financial condition of any municipality as well?

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, I am bringing in an amendment, of which I think notices have been given to the Opposition, when we reach the committee stage, on that particular point, and I shall explain it at that time.

THE PIPE LINES ACT, 1958

Hon. J. W. Spooner moves first reading of bill intituled, "The Pipe Lines Act, 1958."

Motion agreed to; first reading of bill.

He said: This is a consolidation and revision of The Gas Pipe Lines Act, 1951, and The Oil Pipe Lines Act, 1953.

It is a new Act and a very important one.

I must say the intention of the new Act is that it will simplify, clarify, and make uniform the procedures for obtaining leave to construct a gas or oil pipe line; the procedures leading up to authority to expropriate lands for right-of-way purposes; compensation for land taken; compensation for damages under easement agreements; compensation for entry on land for purposes of repair, and so on.

It will also make uniform the procedures for obtaining leave to cross highways, public utility lines, and the like.

Hon. G. H. Dunbar (Provincial Secretary): I beg leave to present to the House the following:

1. 38th annual report of The Department of Labour of the province of Ontario for the fiscal year ending March 31, 1957.
2. 57th annual report of the Ontario north-land transportation commission for the year ending December 31, 1957.

Mr. Speaker: Before the orders of the day, I would like to say that we have quite a large group of students here representing school section 1A at Lampport; a large group from the Wiarton district high school; and

another group from Forest Hill junior high school. These students are here to view the proceedings of the House, and we extend to them a very warm welcome.

Mr. F. R. Oliver (Leader of the Opposition): Before the orders of the day, I would like to ask the hon. Prime Minister if he will table the report of the Ontario municipal board having to do with the finances of the town of Eastview, and which is particularly applicable to the bill that is presently before the House.

Hon. L. M. Frost (Prime Minister): I would be very glad to. As a matter of fact, I intend, when that matter comes up in committee to have that report read to the House, and also a letter from the hon. Minister of Municipal Affairs, neither of which were read—or read in their entirety—at the committee, which I think would entirely clear up the matter. Now I would be very glad to do that, and I give my undertaking.

Mr. Oliver: On that point, I have felt since this matter has come up that the report should have been read by the clerk at the time it was presented to the House. I mean, with an ordinary report over which no great controversy would arise, the present procedure is all right. But this report was filled with controversial facts and figures, and it should have been presented to the House at the time of the bill's introduction.

Hon. Mr. Frost: I had not read the report myself, at the time the report came in here; and it did not seem necessary to read it here and then read it again to the committee. It seemed at the time that it would be better to read it there.

But what happened was that the report was dealt with in an abstract form in the committee, and it was not read in full.

But I will arrange, before the bill is dealt with, to have the report read in full, and the hon. Minister's comment read in full, which I think will clear up the matter.

Mr. Oliver: If I may indulge once more, I am getting along so well with the hon. Prime Minister this afternoon that I want to test him once again.

Last evening, when my hon. friend was away on a mission about which there would be some doubt or some cloud, I asked the hon. Minister of Highways (Mr. Allan) about another report that has to do—as I understand it—with an investigation that was made by the Ontario research council and The Department of Transport, having to do with the diesel fuel oil tax.

Now, as I understand it, quite a comprehensive investigation was made, to determine the validity of the level of that tax, and that report is now prepared. I wonder if the hon. Prime Minister will undertake to table that report, as well, in the House?

Hon. Mr. Frost: The report that the hon. leader of the Opposition mentions, I think, is at hand. Now I am speaking off hand, as a matter of fact I have not been able to read it either, the Opposition keep me so busy here that I do not get around to these things, I mean—

Mr. D. C. MacDonald (York South): We were not keeping the hon. Prime Minister busy yesterday.

Hon. Mr. Frost: Oh, I think I did very well, I was here at 9 o'clock in the morning, and I left at 11 o'clock at night, and I worked all throughout the day. The hon. member cannot ask a person to do better than that.

In connection with the matter relating to diesel fuel and indeed the trucking matter generally, we are conducting investigations on several different trucks including the weights-and-mile arrangement. I will look over the report, and I will be prepared to give that.

As a matter of fact, I think that the report perhaps might indicate that the rate of tax might better be 19 cents than 20 cents, I think that is the tenor of it.

As for myself, I would not be adverse to reducing that, with the consent of the House, to 19 cents, but subject to this:

I would want it very definitely understood that we have other matters and other investigations in mind. I would be very glad to give a report to the House, if there is not something that I know about that stands in the way, nor would I object to the reduction of that tax down to 19 cents.

But I would say that we have in mind some other and perhaps more equitable forms of taxation. Now I think that is the answer I would give to my hon. friend.

Mr. Oliver: Just one further word. I am not arguing at the moment as to whether the tax is too high or too low. But what I am suggesting to the hon. Prime Minister is that this report dealt exhaustively with a public question, and it seems to me that it is proper information for the Legislature to have. I am quite content to leave it to the hon. Prime Minister to look the thing over and, if he thinks there is no harm to be done to the

government, he can put it on the table of the House.

Hon. Mr. Frost: But it is our view that what is harmful to the government might be harmful to the people.

SPEECH FROM THE THRONE

Hon. J. N. Allan (Minister of Highways): Mr. Speaker, I may say that I consider it an honour to be the last speaker on the government side of the House in this debate. However, before proceeding, I would like to express my appreciation to you, as has been done many times, for the capable and impartial way in which you have conducted the House during this session.

I would like also to congratulate the hon. speakers, some 50 of them, who have spoken in this debate.

It has been my good fortune to listen to a great many of those speeches, and I must say that they were of a high order. There was a great deal of information in them, which I appreciated learning, and I am sure this has been the feeling of every hon. member in this House. I was especially interested in learning of some of the splendid qualities of the ridings of the various hon. members. Before I proceed further with what I have to say, I would like very briefly to remind the hon. members of this House that the riding that I represent is a very fine one, situated as it is around Lake Erie for 100 miles, where there is the largest fresh-water fishing fleet in the world, I am told.

We do not have any large cities, but we do have some splendid towns and a very friendly people.

Then, agricultural-wise, I am sure that many hon. members in this House have never fully realized what wonderful agricultural country the counties of Haldimand and Norfolk are. With our livestock in the east, our general farming, our tobacco, our fruits and vegetables in the west, I believe that I am stating a fact when I say that the value of the agricultural production in my riding is greater than that in any other riding in the province.

When we realize that the value of the tobacco alone produced in Norfolk county is approximately \$35 million each year, it gives some conception of the importance of that riding.

I may say too that, when many worry about what is going to happen when industry takes over the Niagara peninsula, we have a veritable garden in my riding, and it might

surprise hon. members to know that three-quarters of all the strawberries that are processed in Canada are grown in Norfolk county.

We grow peaches and all the fine fruits that are grown in the Niagara peninsula, so that when that becomes an industrial area we will then look upon Norfolk county as the garden of Ontario.

I might mention too, that Norfolk county was a pioneer in conservation and reforestation. And may I say, to any who have never had the opportunity to view the reforestation that has been undertaken in Norfolk county, that it is a treat and a wonderful experience for any to enjoy.

And, last but not least, I might say that the goaltender who is largely responsible for the victory of the Whitby Dunlops is a homebrew Haldimand-Norfolk boy.

Now, Mr. Speaker, as I have listened to this debate, I have been impressed by the fact that there is a tremendous difference in mental outlook between this side of the House and the opposite side. On this side, we believe that under our democratic form of government the long-term future of this province and this nation is assured and that we are living in a land of destiny.

On this side, we recognize in Ontario that in recent years it has had its greatest development in history. We believe that we are fortunate to be living in this province and that we are particularly privileged to have an opportunity of moulding the legislation at this time. Now the hon. Opposition members seem to have one thing in common and that is a degree of pessimism that is quite unwarranted by the facts. It is not any wonder that some hon. member on this side of the House has described them as dispensers of gloom.

Mr. D. C. MacDonald (York South): Professional Pollyannas on the government side.

Hon. Mr. Allan: Now, I am quite unable to understand what, if any, policy the hon. members on the opposite side of the House have to suggest.

On one hand, they criticize a reasonable increase in the debt of the province, although as I said yesterday the proper word should be investment, rather than debt. On the other hand, they suggest that greater expenditures be made to relieve unemployment and to improve the economy of the country generally.

There is only one note that I was able to notice that was unanimous—that in under-

taking to do this, I heard no suggestion of an increase in taxes. The attitude of the hon. members of the Opposition seems to be a lack of faith in this province.

Mr. MacDonald: He can tax Mr. E. P. Taylor any time he wants to.

Hon. G. H. Dunbar (Provincial Secretary): Why do they not use live ammunition, instead of those old dead shells?

An hon. member: Lots of powder in them yet.

Hon. Mr. Allan: I am wondering if the results they expect, following the voting on March 31, has anything to do with the dampening of their spirits at this particular time?

Now, Mr. Speaker, at the outset of this debate, the hon. leader of the Opposition (Mr. Oliver) stated that:

A speech from the Throne is intended to convey . . . an outline, and the more brief the outline the better, of legislation that is about to be introduced in this Legislature.

He went on to say that,

in keeping with that definition, the speech from the Throne was on a par with those that have gone before . . .

He said:

When one thinks of the size of the province and of the many and varied problems that confront our people and that are subject to the laws enacted by this Legislature, it is not surprising to appreciate that in the speech from the Throne there was attention paid, however scant that attention may have been, to a great number of subjects.

Now, while the intention of the hon. member may have been "to damn with faint praise", it would appear that, on the basis of his own definition, the speech from the Throne is a document of very considerable importance. In fact as the hon. Prime Minister (Mr. Frost) has said, the speech from the Throne is

designed to meet requirements in 1958 and the challenge of these times, including a broad legislative programme—a plan for the betterment of our people.

Having in mind the pessimistic and the negative attitude adopted by the hon. members of the Opposition during this session, I would like to take this opportunity of

reminding the House of the greatness of this province, and the extent to which it has developed under the administration of the present government so capably guided by our hon. Prime Minister.

By natural increase, and as a result of immigration, we have had an unprecedented increase in our population. We now have some 5.75 million people—an increase of more than 1.5 million, or more than the population of Metropolitan Toronto—within a period of 10 years.

We expect a further increase of more than 1.5 million in the next 10 years, and we note that the population of Ontario is increasing at a rate greater than any other province in our country, and twice the rate of increase in the United States.

Now, this increase in population will permit us to develop our resources, enlarge our industries and broaden our markets. It is an essential part of Ontario's growth.

But while it is a great source of strength, it also presents new responsibilities for which we must be prepared. There is, for example, the increase in the birth rate from a low of 16.9 per 1,000 in 1937 to a high of 27.4 per 1,000 last year.

As the result of this increase we now have more than 1.4 million—or one-quarter of our population—in school-age groups, and the school enrolment figures have doubled in the past 20 years. We cannot see any evidence of a slowing down in the next 20 years.

Another of our many responsibilities comes from the fact that it is forecast that 70 per cent. of the increase in population will settle in urban areas which brings, as anyone recognizes, a very great responsibility to municipal services in those areas.

Now, Mr. Speaker, as our population has grown, our labour force has increased until it reached a peak of 2.25 million last August. Towards the end of the year, there was some increase in unemployment, but this should not obscure the fact that at that time we had more persons employed than ever before. Not only did the total personal income reach an all-time high of over \$9 billion, but the personal income per capita was also at a peak of \$1,624, or nearly double what it was in 1943.

During 1957, the gross value of our manufacturing production, and the volume of our newsprint production, remained at a record high level, while mineral production reached a new high. While there was some reduction in farm prices, this was offset by an

increase in production, and thus our agricultural income remained at a high level.

I have mentioned these facts, and suggest that there is certainly no evidence of gloom or pessimism contained in these figures.

We have come a long way since the war years and, if our growth in population is any indication, we still have a long way to go. The physical volume of production in this province is now some 3 times greater than it was in 1939 and, judged by consumer purchases, living standards have increased some 60 per cent.

Our manufacturing industries have increased both in the volume and the diversity of their production. On the farm there are fewer farmers but, by use of new methods, manpower productivity is up some 75 per cent. and the total output is up more than 25 per cent.

In Ontario, we now produce more than half of Canada's total production of metals and two-fifths of the total production of structural materials.

In the production of uranium alone, there is a spectacular story of growth within a period of the past 4 years, and in 1958 it is even possible that uranium will be second only to nickel in value of our mineral production.

Our manufacturing industries produce about half of the manufactured output of Canada and this is one of the reasons that Ontario is known as the heartland of Canada. And as an evidence of faith in the future of this province, these industries had a new capital investment of nearly \$700 million in 1957, or more than double the amount so invested in 1950.

I might mention Hydro and the increase in the use of electrical energy in this province. It is an indication of our rapid growth and the need to plan ahead to take care of future development.

In the past 8 years our consumption has doubled, in terms of kilowatt hours, and it is more than 3 times what it was in 1941. In order to provide power resources, the Hydro commission found it necessary to provide dependable peak capacity of 6.5 million horsepower in 1957. This will be increased to nearly 10 million horsepower in 1962, as a result of the St. Lawrence power project coming into production and also the addition of other hydro and thermal plants as well as new nuclear power plants.

New capital investment in Ontario totalled more than \$3 billion in 1957, an all-time high

in our history. The present indications are that this record volume will be maintained during 1958.

This, Mr. Speaker, is a most practical demonstration of the confidence that investors, both domestic and foreign, have in the stability of conditions in the province at the present time as well as their calculated faith in our continued growth and development.

Some hon. members of the Opposition have referred to the increase in capital debt of the province. At the same time they ask for more highways, more schools, more public works, more of many things.

Now, the increase in public debt of this province is really a sign of growth and vitality. Our sound financial position is clearly indicated by the favourable interest rates that Ontario is able to secure, both at home and abroad. Government business is big business, and in order to build for the future it is necessary and desirable to go into debt just so long as we keep well within our capacity to meet our obligations.

I might add that, when we borrow, we are investing in capital projects—largely revenue-producing—which have a long life and which will serve our people for years to come.

This expanded construction programme would not be possible if we were to depend on current revenues alone, any more than the average person could buy a house for his wife and family without borrowing money to pay for it.

Actually, it is not the size of our provincial debt which is important, it is the relation of that debt to the ability of the province to pay and, as I have indicated, our credit rating is very high. On a per capita basis, our capital debt is no greater than it was 15 years ago; in relation to personal income, our net capital debt is half of what it was in 1943 when this government took office.

Also, our net capital debt is now only 1.5 times the net ordinary revenue of the province, whereas in 1943 it was 4.5 times as great.

The hon. members of this government are all keenly aware of the great change and development that has taken place within this province since 1943. Our present provincial indebtedness would have seemed extremely large at that time. It may even seem so to the hon. members of the Opposition today, but to us who look forward to the future with confidence, it appears to be most reasonable.

Yesterday it was my pleasure to present a highways programme to this House, and I would like to quote some figures supplied by

the Ontario road builders' association which indicate the benefit to the economy of our province of such a programme.

The Ontario road builders' association estimates that 27.1 per cent. of the total cost of a road construction project is spent on wages, and that the 1957 road construction programme in Ontario provided nearly 50 million man-hours of direct labour.

In addition, the association estimates that nearly 60 million man-hours of indirect labour was provided in the various industries supplying equipment, fuel and materials to the road building industry, while still another 120 million man-hours of labour resulted from the re-spending of salaries and wages by construction employees and the re-investment of contractors' earnings in new equipment.

This all adds up to more than 230 million man-hours of work, resulting directly and indirectly from the construction programme on our provincial highways and municipal roads and streets during the past year.

Mr. Speaker, the hon. members on the other side of the House suggest, on the one hand, that the debt of the province is increasing too fast, while on the other hand they suggest that the government is not doing enough to increase employment. Our highways, roads and streets are responsible for part of our provincial debt. But if it were not possible to spread some of the cost of our highways over the future, it is certain that we would not be able to provide the millions of man-hours of work which are available today.

I suggest that at no time in the past has any government of Ontario planned for the future of the province as this government is doing today. We have a Department of Planning and Development which is active in community planning, in conservation, in housing, in the development of trade and industry and in regional planning. We have a Department of Economics which is well organized to advise the government on economic trends. Other departments such as The Department of Education and The Department of Highways—to mention only two—have given a great deal of attention to plans for the future. These plans are sound and realistic, and they are guiding this province to an even greater period of development.

This government realizes, too, the particular difficulties faced by the municipalities in providing many local services, and therefore aid to the municipalities has been greatly

increased. Since 1943-1944 the rate of provincial investment in the development of municipal services has increased from just over \$20 million per year to over \$216 million a year, and we expect to do more. Capital investment in public service facilities will continue to expand as the economy and the population grow.

In many cases, the responsibility for such investment is shared by the province and the municipal authorities, and that is as it should be. However, where planning will help and assistance is warranted, this government stands prepared to assist the municipalities to a greater extent than ever before.

I would also like to point out to hon. members, particularly, that everywhere in Ontario today there is evidence of a material prosperity such as few, if any, other people in this world have ever had. If one goes to the top of the tower in the east block, he will see the signs of growth of Toronto, our capital city, quickly becoming one of the great metropolitan centres on this continent.

Expanding industry, new housing, and better services have changed the skyline of Toronto almost beyond recognition within a few short years, and the process of growth is still going on.

In other cities, towns and villages throughout the province, this same development is to be seen, and on the farms, too, there is evidence that great changes have taken place.

So, through heavily populated areas we are building a multi-lane freeway to span the province—from Windsor to the Quebec border—without a stop light. In the wilderness, along the shore of Lake Superior, we are at work on the last remaining gap in our section of the trans-Canada highway. At Elliot Lake, a whole new mining industry has come into being within 5 years, with a population of more than 20,000. With services provided as a result of the foresight and planning of this government we are looking forward to a progressive and well-planned city.

On the St. Lawrence, there is a million horsepower project and a seaway nearing completion; at Hamilton a \$16 million skyway will be opened this fall. These and thousands of other examples are to be found of progress and prosperity which, I suggest, Mr. Speaker, have never been equalled in this province before.

I think of our highway systems. I think of our schools, our central school system, and our high school districts made possible because of the great improvement in our highways, and because of the assistance that

these school boards receive from this government.

There is perhaps one other side of the picture which cannot be measured by fact, but which I should mention, and these are the human values to be considered. It is in the field of human betterment that this government is achieving the far-reaching objectives which are matters of top priority policy. Many of these were referred to in the speech from the Throne. There is no department of government which does not in some way contribute to the betterment of our people.

In agriculture, the services rendered to a most important industry cover a wide range, which includes courses in business, courses in business management, technical advice, and assistance with farm marketing. I think of the weather service that is provided in our area, and as the **agricultural industry** is helped, the area adjacent receives very great benefit. So, naturally, does the province as a whole.

When we speak of human betterment, perhaps we refer specifically to health, public welfare and perhaps education.

In the field of health there are such things as the hospital insurance plan which will come into effect at the beginning of the next year. This is a plan which will remove the fear of catastrophe from sickness. We think of the health units that have been established throughout the province. We think of the Salk vaccine and so many other services that we enjoy now as the result of the progressive policy of this department. As a result of these, our death rate for the last 4 years has been only 9 per 1,000.

Benefits through The Department of Public Welfare cover a wide range, including old age assistance, blind persons' allowances, mothers' allowances, unemployment relief, homes for the aged and disabled persons' allowances. Here, in some cases, the cost is shared by the province and the federal government, or the province and the municipal authority, or is paid by the province alone. But in each case the humanitarian attitude of this government is an important factor.

I come to the field of education, and may I say that we are facing up to our responsibilities not only to provide for an increasing number of primary, secondary and university students, but to provide a better standard of education, and make it possible for a higher proportion of students to attend university. We need teachers, we need schools, and the municipalities require provincial assistance. All these are being provided under the wise

direction of our hon. Minister of Education (Mr. Dunlop).

Our advances in the field of education cannot be measured in dollars alone, although the increase in grants and other assistance since 1945 has been substantial. Since that time, our school enrolment has almost doubled, and we can expect it to double again within the next 15 years.

There is one item in particular that I would like to mention, in connection with the leadership that has been given by the hon. Minister of Education in the provision of schools.

It has been my good fortune to attend the opening of several central elementary schools and, as I look at those splendid buildings that are being built at a cost of less than \$20,000 per classroom, I have wondered how many millions of dollars have been saved by this province—and the ratepayers of the province—because of the decision by the hon. Minister of Education that the grants would apply only up to \$20,000 per room.

I mention this because it is so noticeable that the attitude of the architects changed completely when this was known, and then the competition between the architects—or the ambition of the architect—was to find how good a building he could build and keep the cost within \$20,000 per room. Therefore we have these excellent buildings, splendidly built at such a reasonable cost.

Now, Mr. Speaker, in conclusion I would like to urge upon the hon. members of this House to recognize the wonderful work that is being done, the wonderful service that is being given to the people of the province of Ontario by this government, headed by our hon. Prime Minister, whose sole ambition in life seems to be to give better and better government to the people of Ontario.

I hope that all the hon. members of this House will support the speech from the Throne.

Mr. Speaker: Mr. T. L. Kennedy (Peel) moved, seconded by Mr. F. Guindon (Glen-garry) that a humble address be presented to the Honourable the Lieutenant-Governor (Mr. Mackay) as follows:

May it please your Honour:

We, Her Majesty's most dutiful and loyal subjects of the legislative assembly of the province of Ontario, now in session, beg leave to offer our humble thanks to Your Honour for the gracious speech Your Honour has addressed to us.

Mr. F. R. Oliver (Leader of the Opposition), moved, seconded by Mr. H. C. Nixon (Brant), that the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor, now before the House, be amended by adding thereto the following words:

But this House regrets the government has failed to:

1. Take any effective action to meet the rising unemployment in Ontario.
2. Correct the ever-worsening condition in our agricultural industry.

Mr. D. C. MacDonald (York South) moved, seconded by Mr. R. Gisborn (Wentworth East), that the amendment to the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor now before the House, be amended by adding thereto the following:

To clause 1 the following:

(a) through developing presently-owned properties, and acquiring more land, for a greatly expanded low-cost housing programme, so that not only work will be provided, but inflated land values will be checked and the cost of homes brought within the reach of a majority of our people.

To clause 2 the following:

(a) by actions as well as words, in co-operating closely with all commodity groups, to build effective marketing machinery; and

(b) by dispelling the uncertainty concerning the hog marketing plan with an immediate announcement of the postponement of the vote until at least one year after the plan has been in full operation.

Now the vote is on the amendment to the amendment; that is the amendment moved by Mr. MacDonald, and seconded by Mr. Gisborn.

Will all hon. members who are in favour of the amendment to the amendment please say "aye."

As many as are opposed, please say "nay."

The amendment to the amendment was negatived on division as follows:

YEAS

Gisborn
Gordon
Innes
MacDonald
Manley

NAYS

Allan (Haldimand-Norfolk)
Allen (Middlesex South)
Auld

YEAS—Continued

Nixon
Oliver
Reaume
Spence
Thomas
Whicher
Wintermeyer
Worton
Wren

—14

NAYS—Continued

Beckett
Boyer
Cass
Cathcart
Cecile
Chaput
Child
Collings
Connell
Cowling
Daley
Dunbar
Dunlop
Dymond
Edwards
Elliott
Fishleigh
Frost (Bracondale)
Frost (Victoria)
Fullerton
Goodfellow
Graham
Griesinger
Grossman
Guindon
Hall
Hanna
Herbert
Jackson
Janes
Johnston (Parry Sound)
Johnston (Simcoe Centre)
Jolley
Kerr
Lavergne
Letherby
Lewis
Macaulay
Mackenzie
Mapledoram
Morningstar
Morrow
Murdoch
Myers
McCue
McNeil
Nickle
Noden
Parry
Phillips
Price
Rankin
Robarts
Roberts
Robson
Root
Rowntree
Sandercock

NAYS—Continued

Spooner
Stewart (Middlesex North)
Stewart (Parkdale)
Sutton
Wardrope
Warrender
Whitney
Yaremko

—69

Mr. Speaker: I declare the amendment to the amendment lost.

Now the vote is on the amendment to the motion moved by Mr. Oliver and seconded by Mr. Nixon.

Will all hon. members who are in favour of the amendment please say "aye."

As many as are opposed, please say "nay."

The amendment to the motion was negatived on division as follows:

YEAS

Gisborn
Gordon
Innes
MacDonald
Manley
Nixon
Oliver
Reaume
Spence
Thomas
Whicher
Wintermeyer
Worton
Wren

—14

NAYS

Allan (Haldimand-Norfolk)
Allen (Middlesex South)
Auld
Beckett
Boyer
Cass
Cathcart
Cecile
Chaput
Child
Collings
Connell
Cowling
Daley
Dunbar
Dunlop
Dymond
Edwards
Elliott
Fishleigh
Frost (Bracondale)
Frost (Victoria)
Fullerton
Goodfellow
Graham
Griesinger
Grossman
Guindon
Hall
Hanna
Herbert
Jackson
Janes
Johnston (Parry Sound)

NAYS—Continued

Johnston (Simcoe
Centre)
Jolley
Kerr
Lavergne
Letherby
Lewis
Macaulay
Mackenzie
Mapledoram
Morningstar
Morrow
Murdoch
Myers
McCue
McNeil
Nickle
Noden
Parry
Phillips
Price
Rankin
Robarts
Roberts
Robson
Root
Rowntree
Sandercock
Spooner
Stewart (Middlesex
North)
Stewart (Parkdale)
Sutton
Wardrope
Warrender
Whitney

—69

YEAS—Continued

Daley
Dunbar
Dunlop
Dymond
Edwards
Elliott
Fishleigh
Frost (Bracondale)
Frost (Victoria)
Fullerton
Goodfellow
Graham
Griesinger
Grossman
Guindon
Hall
Hanna
Herbert
Jackson
Janes
Johnston (Parry
Sound)
Johnston (Simcoe
Centre)
Jolley
Kerr
Lavergne
Letherby
Lewis
Macaulay
Mackenzie
Mapledoram
Morningstar
Morrow
Murdoch
Myers
McCue
McNeil
Nickle
Noden
Parry
Phillips
Price
Rankin
Robarts
Roberts
Robson
Root
Rowntree
Sandercock
Spooner
Stewart (Middlesex
North)
Stewart (Parkdale)
Sutton
Wardrope
Warrender
Whitney
Yaremko

—69

Mr. Speaker: I declare the amendment lost.
The vote will now be on the main motion.

The motion was agreed to on division as
follows:

YEAS

Allan (Haldimand-
Norfolk)
Allen (Middlesex
South)
Auld
Beckett
Boyer
Cass
Cathcart
Cecile
Chaput
Child
Collings
Connell
Cowling

NAYS

Gisborn
Gordon
Innes
MacDonald
Manley
Nixon
Oliver
Reaume
Spence
Thomas
Whicher
Wintermeyer
Worton
Wren

—14

Mr. Speaker: I declare the motion carried.

Clerk of the House: Resolved that an humble address be presented to the Honourable the Lieutenant-Governor as follows:

TO THE HONOURABLE J. KEILLER MACKAY,
D.S.O., V.D., LL.D., LIEUTENANT-GOVERNOR
OF THE PROVINCE OF ONTARIO.

We, Her Majesty's most dutiful and loyal subjects of the legislative assembly of the province of Ontario now in session, beg leave to offer our humble thanks to Your Honour for the gracious speech which Your Honour has addressed to us.

Hon. Mr. Frost: Mr. Speaker, I move that you do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to.

House in committee of supply, Mr. H. M. Allen in the chair.

ESTIMATES, DEPARTMENT OF LANDS AND FORESTS

Hon. C. E. Mapledoram (Minister of Lands and Forests): Mr. Chairman, I should like to point out that the management and development of our renewable natural resources is a continuing business requiring foresight and long-range planning. Perpetuation of our forest resources in particular, and of the industries dependent on them, will always be a major factor in the provincial economy.

Therefore, such new provisions as are included in the estimates are designed to meet, not only immediate needs, but also to prepare for the future growth and requirements of our population. Planning to provide for the needs and prosperity of the people is one of the prime responsibilities of government, and has always been, I am happy to say, one of the policies on which this administration has been strongest.

Of paramount concern in the year ahead will be the continuation and expansion of policies and programmes on which we already are embarked. This is especially true of the increase and improvement of our parks, which were used by nearly 3 million people last year, and of project regeneration which we started two years ago.

The provincial parks have proved to be immensely popular. As the need becomes evident, we may acquire more park lands to meet projected needs, and develop more than 40 parks which are in need of immediate

attention to bring them to the high standards desired by the public.

We have made provision in the estimates to carry forward and expand project regeneration. We believe it is part of the most far-sighted and productive programme for sustained yield and fullest utilization of our forest resources yet devised by any government in this country.

Even though the forest fire loss last year was only a little more than one-fifth of the 1956 toll, it is most essential that we be ever on the alert. We must remember that the forest fire problem presents a constant and dangerous threat.

We have brought our forest protection staff, including our air service, to a high degree of skill and efficiency. We have developed new techniques for detection and control of fire on land and in the air. We do not intend to relax our vigilance in guarding our precious forest resources.

Efficient wildlife management requires that provision be made in the estimates for continuation of our fish and wildlife inventories, with special emphasis on the wolf census which we began this winter.

The recurring tragedies in hunting and fishing expeditions, with considerable loss of life, have pointed up the urgent need for making available to the public special training in safety practices connected with these outdoor sports.

Research in many fields requires support. We plan to intensify studies of forests and wildlife, and also our participation in Great Lakes fisheries research.

Turning first to the management of the fish and wildlife resources, we believe that the time has come for measures to be taken to safeguard the lives of inexperienced people who use the woods for hunting and recreation. We are studying the problem of safety in the woods, particularly the possibility of making available some system of training, both in woods travel and gun handling. Such training, if made available on a voluntary basis, might have some value in reducing hazards in the woods, as well as providing the facilities to educate the youth of our country who will be the hunters and woods travellers of tomorrow.

Last year, we provided for additional sums of money for fisheries and wildlife work in the province. This was in recognition of the fact that there has been an increase in the demands on our fish and game resources, due to the increase in our population and in our prosperity. On the other hand, the areas

available for these pursuits are decreasing because of the encroachments of industrial and other developments.

The lamprey control programme being carried on in the Great Lakes has shown that lake trout are unusually susceptible, in that they may be killed by the lamprey before they have had a chance to reproduce. From the information that we have on lake trout spawning habits, we are considering the possibility of increasing this species by the provision of artificial spawning beds.

As lamprey control proceeds, we must prepare to restock depleted areas. One of the most valuable lines of approach is to produce a rapidly maturing variety of lake trout which will be less vulnerable to lamprey attack. Tests are being conducted to determine if the splake, a cross between lake trout and speckled trout, will survive in the Great Lakes. It may be necessary to modify our hatchery programme to provide for increased stocks of lake trout.

In the realm of fisheries, factors of water temperature, depth, currents, and bottom materials have a great bearing on fish populations. Consequently the department has been actively engaged in physics research in Lake Simcoe and the Great Lakes. Much of the work has been made possible by the generosity of the Royal Canadian Navy, which has made vessels available to our staff at no charge.

Deer hunters will be glad to know that we had an extremely large fawn crop last year. It is the largest crop recorded during our intensive studies of the subject, which were started 10 years ago, and unless severe weather intervenes, a very good carry-over is expected.

The moose situation is reported better than ever in the western part of the province, with little overall change in the eastern part.

The study of big game, hitherto confined to deer and moose, is being extended to the woodland caribou in the northwestern part of the province. The caribou situation in the Patricia area has improved greatly in the past few years, due in part to the very fine co-operation of the Indians.

Last year, we commenced a study of wolves to determine their numbers and their relationship to domestic and wild animals. This is to be a 3-year programme to provide us with a method of controlling the depredations of wolves. An assessment of the wolf bounty as a means of wolf control is near completion. We have had success in measuring the movements of individual wolves.

We have established a group of extra conservation officers who will be given valuable experience by being moved to fill in where they are required in our fish and game protection programme. As soon as a vacancy occurs, it can be filled by a member of this group, who then becomes eligible for training at the Ontario forest ranger school.

Our programme of Crown land surveys in connection with the management and disposition of Crown lands has been expanded to meet the demands of our increasing population.

Greater efforts are being directed to the continuing programme of land-use planning to achieve the best multiple use of public lands.

In January of this year, the province entered into two agreements with the federal government to relieve seasonal unemployment. The first agreement is for the construction of forest roads for protection and other forest management purposes, and is on a 50-50 cost-sharing basis. This agreement is to end on June 30, 1958, and the total expenditures incurred are not to exceed \$1.5 million.

The second agreement, also on a cost-sharing basis, is for the development of provincial parks. This agreement is to end on May 31, 1958, and the total expenditures incurred under it are not to exceed \$1 million.

Shortly after these agreements were arranged, men were put to work in various parts of the province on the projects, and up to the present time approximately \$1.3 million has been allotted for roads and \$970,000 for parks.

Under this scheme we have, at the present time, approximately 225 miles of roads under construction, and work in progress in 18 parks. The working force of nearly 2,000 men is divided about equally between the two projects.

We are continuing our programme of building logging roads to open up areas of timber in need of harvesting.

I come now to a part of the work of the department which concerns the health and happiness of all our people. I refer to our provincial parks, readily accessible and adequately serviced, where worries may be forgotten occasionally under the spell of the great outdoors.

This province has gone forward to its primary position in our great nation through the initiative, energy, and the vision of a virile and healthy people. Our forbears drew their strength from the land, and it is back

to nature that we must turn frequently to replenish it.

Some 3 million people enjoyed our parks last year. Some parks, near large population centres, even found it difficult at times to accommodate those who converged upon them on public holidays. The need increases with our growing population. We must expand and develop more park lands if we are to meet their demands and fulfil our responsibilities.

The shorter work week has provided more time for outings and for travel. Our fine highway system brings park lands within easy reach of most of us.

The expansion of our parks programme has been rapid in the past 3 years. Not too long ago, we had only 6 provincial parks. Today we have more than 100 and we expect to add about 20 more.

This government began, in 1954, to build a system of parks of which future generations could be proud. It is to carry on this plan that we are providing some \$3 million in this year's estimates.

We now have a large proportion of the land we need for our parks programme. Our next major step, of course, is the development of these parks to the stage where they will benefit the maximum number of people.

I think there will be general agreement with the remarks of the hon. Prime Minister (Mr. Frost) when he said in his budget speech:

Few policies of the province are, in the long run, likely to prove more rewarding than the establishment of provincial parks.

The development and improvement of our parks is carried out under a master plan providing for all necessary facilities. These include extensive camping and parking area development and construction of roads and trails.

Nature museums and nature trails are operated in Algonquin, Quetico, Rondeau, Presqu'île, Sibley and Serpent Mounds provincial parks, and have proved very popular.

In our larger parks, such as Algonquin and Quetico, we are being careful to retain extensive areas in their natural state, safe from civilization, so to speak, and accessible only to the canoeist and hiker. Such wilderness areas, we believe, must remain precious to us, far from the humdrum of everyday life and yet, like Algonquin, within brief travelling time from large population centres.

All our parks play a vital part in our welfare and in our economy. We plan to maintain them as the finest anywhere.

I would like to turn now, Mr. Chairman, to the question of forest protection. Because we have had a successful fire year, with few bad fires, we must not allow ourselves to be lulled into a false sense of security. Hon. members will realize that because of extreme weather conditions we could be subjected to a real test of our men, equipment and organization.

To guard our forests and vacation lands, we have one of the finest protective organizations, and an air service unique of its kind. The budget estimates for this service are now sufficient to take care of normal requirements.

There are very definite reasons why it is necessary to maintain the present level and make provision for additional funds from time to time. In the 1957 fire season, there were almost 1,500 forest fires—an increase of 12 per cent. over the past 5-year average. This increase in fire occurrence is coupled with a marked increase in the number of people using the forest, and by the addition of some 25 townships to the area to be protected from fire. It is obvious that we cannot relax our vigilance.

In regard to fire damage, I am pleased to report that the area burned over was 29 per cent. below the average for the past 5 years. The area burned was slightly over 46,000 acres, which is less than .5 per cent. of the total accessible forest area of the province.

It is a matter of deep concern, however, that over 85 per cent. of the total fires were caused by human carelessness. This, we feel, indicates a real necessity for a much greater effort towards effective forest fire prevention education. As a matter of interest, it may be noted that over one-half of the fires attributed to human carelessness last year were caused by campers and smokers. They alone accounted for the burning of more than 17,000 acres.

It is evident that the public must play its part to cut down the needless waste of our valuable resources which, after all, are public property. We are seeking the co-operation of the public to this end by increasing our public relations programme in fire prevention.

While weather was an important factor in confining the spread of fires, we feel that credit is due to our efficient organization in detecting fires quickly and following with prompt suppressive action.

Although we still have tragic fire years, such as 1936, 1948 and 1955, the trend for each decade for the past 40 years shows a great reduction in the average area burned. We feel that this is due in large part to an efficient forest protection service.

We are going forward with experiments and the formulation of new techniques. Under an arrangement with the federal government, radar is used to track lightning storms, the cause of many fires.

Our latest, and perhaps most promising, development is the aerial water-dropping equipment developed by our own staff. This is now being manufactured so that all of our Otter and Beaver aircraft will be equipped for the 1958 fire season. This technique holds great promise as a delaying action weapon until fire-fighting crews arrive to take over. Great interest has been shown in this development by other forest protection agencies throughout the world.

The general decrease in area burned in recent years indicates an improvement in forest fire protection as a direct result of more adequate funds being made available. At the same time, it emphasizes the need of a constant strengthening of the organization to take care of a problem which is continually growing in magnitude.

The field work of the forest resources inventory begun in 1947 has now been completed. The total area of the province covered by this inventory is 285,000 square miles, and extends from southern Ontario north to approximately 52 degrees latitude. Nineteen district inventory reports have now been issued, and the remaining 3 will be available by next fall.

This year we will commence a 10-year programme to re-photograph the accessible forests of the province in order to keep the inventory up to date. As we see it at present, this programme will cover the forests which have been, or will be, under development during the next few years, and will total about 125,000 square miles.

It is planned to photograph 12,500 square miles each year, commencing this year with the North Bay and Pembroke districts. This will give us a perpetual inventory of our forest resources.

Hon. members may recall that two years ago we started project regeneration with a view to substantially increasing work on regeneration in the province. During these two years, we have spent an additional \$1.715 million on an expanded regeneration programme which includes methods of obtain-

ing natural regeneration, increased nursery production to permit a large planting programme on Crown lands, protection of regeneration from insects and disease and on research.

The money spent on natural regeneration has been used to develop means of improving the forest seed-bed to increase the germination of seed, changes in cutting methods to increase available seed supply and survival of seedlings, and the spraying of competing brush with chemicals known as herbicides or silvicides. This programme of cultural treatment in 1957 covered about 14,000 acres across the province. In addition, regeneration surveys were conducted, and some access roads were built.

The use of herbicides to kill worthless competing shrubs such as alder and hazel, thereby allowing valuable young conifers to grow vigorously in full sunlight, is emerging as one of the most significant aids to the development of valuable forest crops.

These chemicals are usually applied by small low-flying aircraft; however, this year we are planning to try helicopters, particularly in situations where precision applications are required.

Although we have done some of this spraying on a fairly large scale, we are at the same time continuing to do research to increase our efficiency by determining the most effective formulations of chemicals and the best time of year for application.

The increase in the reforestation programme has included the development of 6 new nurseries in northern Ontario, and expansion of several of the older nurseries. There has also been some increase in planting on Crown lands, but this cannot be greatly increased until the new nurseries are in production.

In order to protect existing young stands of white pine, and to prepare new sites for planting of white pine, we conducted an active blister rust control programme. This work involves the removal from the vicinity of the trees of currant and gooseberry plants which assist the spread of the disease.

The research effort connected with forest regeneration has been directed towards finding improved methods of getting both natural and artificial regeneration, conducting forest land-type classifications, investigations to develop superior tree strains, investigations on the effect of deer browsing on yellow birch regeneration, and the effect of mice and other rodents on various tree seeds and seedlings. The activities of deer and mice in certain areas often make forest regeneration programmes costly or ineffective.

I should like for a moment to summarize the overall planting and nursery programme of the department conducted during the past year, and to refer to the expansion in this field which took place last year and which will continue into the immediate future.

On Crown lands, we have planted 9.5 million trees on approximately 19,000 acres. It is planned to increase this to 12 million trees during the new fiscal year.

Areas managed in co-operation with counties and conservation authorities increased from 120,000 acres to nearly 125,000 acres. In addition to the protection and management of these forests, improvement thinnings were made, and on 4,500 acres we planted 4.5 million trees. It is planned to plant 5 million trees on these areas in 1958.

Approximately 12.5 million trees were furnished to owners of private lands, and we intend to increase this to 15 million in 1958.

During the past year, the 5 existing large nurseries were expanded, and the 6 small nurseries which have been established and sown with seed will produce about 9 million trees. The total output from the nurseries last year was 26.5 million trees, and this will be increased to over 30 million during the coming year. Two additional large nurseries will be started during 1958, in the Kenora and Swastika districts of northern Ontario, so that yearly production should be over 60 million trees by 1962 or 1963.

We are encouraged by the results of the regeneration work done so far and plan to continue the programme. However, starting this year there will be some change in emphasis. Two years ago I stated in the Legislature that the participation of industry would be required in the programme within two or three years, and that there would be discussions with industry. We have had discussions with industry this year, with the result that we are satisfied that industry has the staff, the equipment, the labour force, and in most cases the willingness to employ their facilities in the regeneration programme.

It is in the interests of 3 groups—the province, which owns the forest; industry, whose continued existence is based on the forest; and labour, whose members get their livelihood from the forest—to co-operate in this programme and ensure that it is a success.

It should be noted that industry now employs about 300 foresters in Ontario and the department employs about 200. We look to foresters from both industry and government to give technical leadership to the whole programme of forest management.

The province proposes—and this appears from our discussions to have the agreement of industry in general—that those companies having staff and facilities should help with the work of regeneration, and that this should be done in accordance with the department's standards and specifications.

These co-operative projects will start when their details have been agreed upon by the province and the company concerned. Regeneration work on the limits of those companies that are unable to participate in the programme, because they lack suitable staff and equipment, will be arranged for by the department. Obviously, a great deal of work will be required of the staffs of both the department and industry, and we will need the good-will and co-operation of industry if they are to direct the necessary technical skill to the work that must be done. We feel assured from our discussions with industry that their co-operation and help will be forthcoming.

This is a big programme. It involves tremendous areas and a great variety of conditions, many of which are still subjects of study by our foresters in both industry and government.

It is our plan to give the programme a 5-year trial period, by the end of which we hope to have overcome the growing pains and problems that are inherent in it.

Then we should be ready to move on to the next part of the long-term programme which follows logically after regeneration—that is, the forest improvement programme.

The forest improvement programme will call for thinnings, release cuttings, and removal of inferior trees and species on those areas where such treatment is economically justifiable. The planning of the programme has already started and will continue to be developed over the next 5 years. This stage will include some emphasis on the forestry measures needed to improve the forest for wildlife, although this is already being considered in the regeneration work.

We already have 4 or 5 years' experience as a result of doing this work in a modest way. The programme has been to carry out very intensive forest management of a pilot-plant nature on small, accessible areas which show promise of a good financial return.

The guiding principles are to practice good forest genetics by using the best quality trees as seed source, conserve soil quality, fully utilize the productivity of the area, and produce high quality timber.

During 1957, operations to improve the quantity and quality of young trees were carried out on almost 1,000 acres of mature stands and cut-overs; and the tending of young growth was conducted on over 5,000 acres. This programme will be continued during the coming year, and it is largely on the experience gained in this work that the forest improvement programme of the future will be based.

Ontario is pioneering in its forest management programme. All phases of forest management will be properly integrated and developed, step by step, on a sound forestry, biological and economic basis.

On vote 901:

Mr. J. J. Wintermeyer (Waterloo North): I believe it is the policy this year to make some preliminary introductory remarks from the Opposition side of this House, and in that respect I would approach this in the same manner that we did yesterday.

We appreciate the person of the hon. Minister of this department and his executive ability, and there are features of his report today that we heartily endorse.

I think we are all in agreement with his parks programme, his reforestation set-up, and the fact that he has made a deliberate effort to derive sufficient income generally to pay for the costs and expenses of his department.

With respect to the criticism that I would like to direct toward this particular department, I would emphasize firstly, the pulp and paper aspect. Hon. members will recall, Mr. Chairman, that a year ago many of us on this side of the House took severe objection to the so-called logging tax. We criticized that tax in several respects, but basically we criticized the tax because we contended that the industry was in a period of change and flux wherein it could be adversely affected by the imposition of a tax.

I think we can come today and demonstrate in graphic form that this industry was in exactly the same condition that we contended a year ago. In the interval since we last met, this industry has declined in several respects. For example, the production at large across Canada, and this typifies Ontario as well, is down almost 10 per cent.—9.8 per cent, I believe. The net earnings, the earnings as such of the respective companies involved in this industry, are down on an average of 25 per cent.

I would remind hon. members that the past year, that is the year 1957 of which we are talking, was in part a good year and in part a bad year. But 1958 is bound to be a

bad year in all respects, and I am sure the earnings of the companies will average below the 25 per cent. or more decline to which I have made reference.

There are other factors that we pointed out last year that I would like to emphasize as a preliminary to my argument today. Hon. members recall that we contended that this particular industry had been picked out as a whipping boy over and above all other industries in the country, or in the province at large. No other industry in the province was subject to anything over and above the normal 2 per cent. corporate tax. This industry was subjected to an additional tax on profits in the amount of almost 9 per cent. Translated, it is an effected tax on income of approximately half, or I believe we treated it last year as 4.5 per cent.

Hon. L. M. Frost (Prime Minister): So is mining.

Mr. Wintermeyer: I am sorry, the hon. Prime Minister is quite right, mining and this industry, there is no question of that. But this particular industry and mining were subjected to an unusual form of tax. That, I believe, we criticized.

The factors I want to point out are that, at the present time, this great industry—which I believe is our number one basic industry, our largest exporter in the American markets particularly—is subject to some new adverse conditions.

Despite the growing competition from the southern states, and let us make no mistake about this, this industry is required to produce pulp and paper profitably. There is no point in talking about logs in the north and trees growing on fertile ground. Those trees must be processed in a manner that is profitable for the United States market, where 90 per cent. of the total production is sold, and in that country competition is growing very rapidly, particularly from that area generally called the “southern pine district”, the south-eastern portion of the United States.

To emphasize my point, the portion of the total American market that the southern pine people are supplying is growing rapidly at the present time. I believe that, whereas a year ago it was something in the nature of—the hon. Minister will correct me because I am not exactly sure of this—10 per cent., now it is up to about 15 per cent.

I am simply emphasizing this factor. This industry is subject to the normal rules of economics, they have to produce the products at a profit. In the south they have cheaper

labour, power, and transportation than we have here, and let us make no mistake about it. Here we have one great advantage. We have a better log, we have a better tree to start with, but we have certain disadvantages.

Among these is the fact that, traditionally and by habit, this product is sold at a price that is determined in the United States; freight rates are not added. Therefore the selling price, when it is quoted in so many dollars per ton, means that the producer receives that many dollars per ton laid down in New York.

This means that our industries must absorb the freight charges, and they must absorb the various costs of production that are involved in Canada.

In addition they receive not Canadian dollars but American dollars for payment. Now hon. members know, better than I, that at the present time the Canadian dollar is at a premium, and accordingly when the product is sold in the United States the industry does not receive 100 cents on the dollar but something less.

Fortunately, the premium has declined in the course of the last year, so that particular factor is working to the advantage of the industry, but it is still a great and serious factor to be considered.

I say to hon. members that, in view of these facts, and in view of the fact that we are determined in Ontario—I hope we are, and I am sure I concede this point to the government—to maintain the *status quo* of this industry. We are determined to see it prosper. What better can we do than instil real confidence into this industry, not only confidence but encouragement? How does one encourage a person to take risks? One does not do so by prejudicing him, or adding a load to a burden that he is already carrying which he feels is unfair.

The fact of the matter is that the industry does feel that this tax is unfair. The hon. Minister may argue that it is not, but I do not think that there are many hon. members in this House who contend that the industry does not feel that the tax is unfair. As a result of its mental attitude, as a result of its feeling that it has been dealt with unfairly, this industry is not in the position that we would like it to be. It is not in the position where it is ready and willing to go out and invest and reinvest in its productive capacities to increase its production and regain the American market.

It is concerned about the possibility that maybe this government will impose still more taxes. It is concerned about the real possibility

that the southern pine producers will gain more advantage than they have at the present time, in the nature of lower cost production, of lower freight rates, and the other several factors to which I have referred. These are serious conditions, Mr. Chairman. Mr. Cyril Young is over there, and I am sure he agrees with me.

Mr. Chairman, these are serious considerations, I know that we have a real problem here. I know that the government is going to tell me: "Well, so what?"—It does not like to impose taxes, it does not like to impose this particular tax. They have just said that they are in favour of balancing the budget with respect to this particular department. Now, how in the world are they going to do it?

I will acknowledge those factors. But I say, Mr. Chairman, that one wrong or two wrongs do not make a right. The fact of the matter is that, in my opinion, this is an inequitable tax, this is an unfair tax, and as such it should be eliminated.

Where will the government derive revenue elsewhere? Well I do not think that is my basic responsibility. But on the other hand, in fairness and in debate, I would say this. It does seem to me that the time has come when we must acknowledge an elementary fact, and that is that it costs The Department of Lands and Forests a good deal of money to reforest its plantations in the north, and to generally care for this industry. I think that much of the benefits derived from the profits of the industry goes basically to the federal government. I do not think we get our fair share, and it seems to me that the ideal solution is to require of the federal government an arrangement whereby our costs, whatever our costs in this department are, be reimbursed to us in the nature of a rebate of the income tax that is paid to that particular government.

Mr. D. C. MacDonald (York South): That statement is due to the change in government at Ottawa.

Mr. Wintermeyer: I made exactly the same statement last year. I have always felt that way in this respect.

But I do not feel it is fair to add an extra obligation to this industry in Ontario, when the industry is required to compete with other provinces in the Dominion and with other states in the United States.

I think, to the extent that we can keep this industry in a most competitive position, in an ideal position, and impose less taxes on it than elsewhere, we will be doing a great service to ourselves and to the north.

The hon. Minister of Lands and Forests is as anxious about the development of the north as I. I am sure he has spent more time in thinking about it. I do not think that anybody is going to contend that is not our objective.

But I say to hon. members that those trees were there when the Indians were there, and unless they are processed profitably we are never going to accomplish what we really want, and that is a maximum of use of our great natural resources in this particular province. We are blessed naturally by this industry and by the trees. I do not believe, like the hon. member for York South does, that just because those trees grow on Crown land, therefore all the profit from that industry should be diverted back to the government.

I believe there is a certain element of truth in what the hon. member says, but instead, I would suggest this:

What we are really interested in is developing that northland, not to the advantage of one or two millionaires or anything of that sort, but developing it to the advantage of people generally, and more people in northern Ontario.

A good healthy industry means jobs in the north, and what I am really driving for, and arguing for, is a maximum of jobs in that particular industry. The way to get it is to keep the industry in good financial condition and in a competitive mood. I suggest that this tax is the antithesis of that objective.

I say to hon. members that it would be much better to rebate the tax that they speak of to the industries, on condition that they invest it in capital production, and reinvest it to increase their capacity and opportunity to do business. That, I think, would be a demonstration that this government is really interested in the industry as such.

If this government is determined to make the industry successful, it will give them the confidence that is required to invest more and more money to produce more and more jobs.

Now, like this government, I would like to see the ownership of this industry spread as widely as possible. I for one think the day will come when more and more Canadians will participate in the ownership. I think one of the great challenges of this day is to diversify our public ownership of property and corporation as such. I think that if we will consider some novel means of rebating income tax, and rebating other taxes

to individuals, on condition that they reinvest in our natural resources, we will accomplish this objective to a large extent.

We would diversify ownership, we would make these people think that they were part and parcel of the industry and make more Canadians feel exactly that.

I feel that private industry is the only method by which we can effectively develop this industry. I do not believe in a socialized form of development, but I think we should do what we can under private ownership to extend the opportunity of others to participate in this natural resource.

We have an obligation to do whatever can be done, even though it be in novel fashion.

I say to the hon. Minister that I hope that he agrees with me in some of the things that I am saying, because I know that he is interested in the industry and I am sure that the criticisms that I am giving have been given by both management and labour. It seems to me that they are elementary economic propositions.

The only answer that can be made is that the government needs money to balance this particular department's budget.

Granted that it needs the money, but the fact of the matter is that the government should not take it in an inequitable fashion, because if it does, then it is doing an injustice to the industry, and eventually it is going to find that the industry will undergo the sort of recessive period that we had several years ago.

This industry 25 years ago was a great industry, and then 20 years ago it collapsed materially, as hon. members know, and regained its position only 10 years ago. It has not expanded its facilities fantastically in the interval. It has not had the opportunity to invest a lot of money. It is true that, while we are dealing with large figures and large numbers of dollars, the investor has not gained fantastically. If he is receiving 5 per cent. of the total earnings of the industry, he is lucky.

I hope the government will acknowledge, or will do something about, what I think was a mistake a year ago, and will take some positive steps to relieve the industry of the burden—or to assure the industry that it will be relieved of the burden—in the near future and, in the alternative, acknowledge to the industry that this government's basic concern is the welfare not of the capitalist, not of the managers, but of the industry as such, and primarily of those people who get jobs and derive money from the industry. As such, I say, this government must necessarily

be interested in the welfare of the fiscal policies of this industry. I would hope that this government would have some idea how, what has been termed by many to be an inequitable tax, can be relieved.

Now the hon. Minister knows—and I am sure he will have examined it more carefully than I—that a report of the Canadian tax foundation, on the various industries for the last 10 years in Canada, was prepared by Mr. Moore and published since we last met. I would quote only a few passages, one from page 211:

Careful consideration of the logging taxes leads to two broad criticisms. First, there is no jurisdiction for the tax unless it is to take the place of all or a portion of the Crown stumpage charges; and second, if tax there must be, the discarded methods for calculating loss and profit are preferable to the new law.

Ontario's comparable advantage in relations to southern pine states has greatly declined since the war and the improvisation of a differential tax upon its fourth industry appears particularly ill advised.

Now, I do not want to quote at more length, and there may be an opportunity to base this issue as we go through the estimates.

I merely want to fortify my general observation with the observations of experts in the field, and I do hope that, in a statesman-like manner, the hon. Minister has given this great thought, and that he is prepared to acknowledge the concern of the industry, and will be in a position to give us his impressions on what should be done to relieve the industry of this unfair competitive position.

Hon. Mr. Frost: I would just give to the House a little of the history of this question, so that the hon. members may more clearly draw their conclusions, and I would ask my hon. friend—when he has heard the history of the question—to make any amendments, which he sees fit, to the proposal which he has made this afternoon.

May I say first of all that all of the provinces have now, as far as I know—or have had for many years—royalty tax. It is on royalty taxes that the province of Alberta makes the fabulous sums it does out of natural gas. It is on royalty tax that a great proportion of mine income and forestry income that we have received have been based.

Now, what are the facts? They are these:

All of the minerals in the ground belong to the people of Ontario, on all of the Crown land where they have been found. All of

the timber that grows on about 85 per cent. of the land area of Ontario belongs to the people of Ontario, it is theirs. Therefore, they have the right to sell land.

Now, my hon. friend is proposing the withdrawal of these taxes. In effect, he proposes that these great resources be given away without consideration. I say that is completely and totally unsound.

May I give the background of the present royalty tax. Royalty taxes really run back into the days of the initiating of mining in the province of Ontario. It was felt that in mining—and I think that this is sound—the ton of ore which lies in the ground below belongs to the people of Ontario. Now, it can be brought from the ground only if it is profitable so to do. The point was this, whether—and this was determined years and years ago, half a century ago—there should be a tax of 1 cent a ton, or 2 cents a ton, or 10 cents a ton. On what should it be based? It was determined, and I think very soundly, that the tax would be on the basis of the profit earned. That was the situation.

Now that simply means this, that if the attempt is made to take that ton of ore from the earth, or from the ground, and it is not profitable, then there is not any charge. Now then, if it is profitable, then the province receives an amount which is metered to the amount of the profit. Now, I think my hon. friend will say that is entirely fair.

Mr. Wintermeyer: I agree fully with what the hon. Prime Minister has said this far.

Hon. Mr. Frost: All right. Now we turn to forestry, to which he was referring.

We have had stumpage taxes in this province for many many years. Stumpage taxes, as the hon. member knows, are based upon certain factors. Formerly they used the Doyle rule which has been abandoned recently for another rule, the Ontario rule.

The Ontario rule is, of course, a fair and equitable rule. The old Doyle rule had a lot of over-run in it, and in small logs that meant that the over-run was very inequitable. As a matter of fact, we were running against problems in the very large logs. I think it operated in favour of the province, at least that is my recollection of it.

Now concerning the stumpage tax which is still applied in Ontario, it was determined that there would be so much per 1,000 board feet of estimated content of the logs paid to the province as the stumpage due.

Now the question arose as to whether that stumpage due should be increased, and may

I say that the industry itself proposed that, instead of raising the stumpage dues, that there should be substituted, for that, something that would meter the matter of profit grants, and I think that is entirely fair.

It means that the industries pay to the people of Ontario an amount which is gauged upon the profits of that concern, rather than increasing the amount which would be unchangeable if it were placed on a stumpage basis.

Now that was the situation. In both of those cases the tax, or the amount payable for those resources, is fair and equitable.

The problem that my hon. friend raises is the problem of provincial rates and I am not one who believes that we should give up our rates. I am not in favour of that. I think our problem is to preserve and protect the province's rates, and to that extent, I am for provincial rates. I think that the rates that were given to our people, and the settlement at the time of Confederation should be preserved and cultivated by us.

Now where does the problem commence? The problem came in this way. In the dark days of federal-provincial relations, in the days of hon. Mr. Ilsley, it came about that hon. Mr. Ilsley was determined to centralize all of these taxes down in Ottawa, and he said that it was part of the King policy of 1945, that they would recognize no profit tax at all.

As a matter of fact, they aimed at pushing the provinces out of that field and that was where much of the argument of 1945 arose. Now hon. Mr. Ilsley was prepared—I do not want to bring him in as a member of the judiciary now, because when these people become jurists they get above the affairs of these assemblies and Parliament, but I am talking about him as a personality, perhaps I should say the former Minister of Finance back in 1945 and therefore I will amend my remarks in that way—he was prepared to recognize the stumpage charged by the province as deductible expense before the calculation of tax, but he was not prepared to accept the royalty that was charged by the province in connection with mining as a deductible expense.

He said that it was a corporation income tax, and therefore he would not recognize it. He was endeavouring to push the provinces—Ontario and Quebec notably—out of fields which belonged to them.

There was very great controversy on that point. As a result, the federal government made this proposal, that they would recognize

royalties imposed by the provinces. I mentioned Ontario and Quebec and we could include British Columbia in that. At any rate, the federal government agreed to recognize the royalties that were calculated on their formula, to meet the provinces' position, and that was done.

Now they made, as deductible items, both royalties that were charged on profits that were related to or came from the ground, and the logs that were taken from the forest domains.

The situation is simply this, that at the present time the direct stumpage tax is treated as a deductible expense. Our intentions have been, and are now, that the federal government should recognize these resources as belonging to the province, and as a matter of fact should allow the province, as a totally deductible item, a certain proportion of what would be judged as a fair and reasonable royalty. I still think that is the case. As a matter of fact, we said so last November at that famous conference which brought so much to this province, and which I am so hopeful of in its continuation.

Mr. Wintermeyer: Did they agree with the hon. Prime Minister?

Hon. Mr. Frost: Well, there are a lot of things that we did not get around to discussing. We only got around to discussing \$22 million worth, and we did not get around to some of the other items. But we will, and I would say that this is one point.

I think that the provinces are clearly entitled to more money from their own resources, after all they belong to us, and we are selling them to industries, and we should receive an amount that is fair. I think that the solution that we have proposed was that the provinces should receive a reasonable royalty allowance and their stumpage allowance.

Of course, they could not dispute the fact that they should be totally deductible or allowed as against corporation taxes, which of course would affect us, because it would affect the 11 per cent. amount of corporation tax which we are charging. It would reduce that amount.

That is the answer, or rather, the historical background of this question.

Mr. Wintermeyer: In reply to the hon. Prime Minister, I would say this, that with much of what he says, I am in complete agreement. I would hope that nothing that I said would suggest that I deny the right of

the people of Ontario to these particular minerals in the ground and trees above the ground. I lost those points of agreement, in order to emphasize my point of disagreement.

I would say that I am in total agreement with him that a certain royalty should be paid to the provincial government for the use of the land, either above or below ground, and that it should be deductible, and the basic cost borne by the federal government. I am in complete agreement there.

My point of disagreement is this, that if we are not committed to a socialistic philosophy—and let us make it emphatically clear that I hope we are not—and that if we believe that private enterprise can do the best job, not for the investor, but for the little people of Ontario, in all sincerity, I say that the thing we must do is create the best possible economic climate within which that industry can operate.

I say that we should not do anything that puts the industry in an unfair position with its competitors, and I say we have to this extent—

Hon. Mr. Frost: Well, I do not think so. Our tax is lower than elsewhere.

Mr. Wintermeyer: No, I think it is as high as any and it is comparable only to British Columbia's.

Hon. Mr. Frost: British Columbia has only 10 per cent.

Mr. Wintermeyer: Well, according to the report, British Columbia may be comparable to Ontario, but British Columbia is not higher.

Hon. Mr. Frost: Does that report take into effect stumpage for instance?

Mr. Wintermeyer: Yes, apparently so.

Hon. Mr. Frost: Our stumpage is much lower—

Mr. Wintermeyer: Yes, that is true, but the position apparently is that we are in fact charging more, or putting more of a load on the industry, than is our competitor and I ask the hon. Prime Minister, does that really matter? What we are really interested in is making a maximum use of the land that we have, and the maximum use will be to permit the industry to use the land in the most profitable fashion.

Now, to just emphasize my point, and again reading from the report, I would point this out to the hon. Prime Minister:

Decisions concerning the degree of utilization of timber being cut turn upon

the stumpage charges to be paid. Decisions to use inferior species, or damaged or less accessible timber, or to cut lower stumps or lower tops, depend not upon whether the value of the additional amount of timber will bear the cost of extraction or whether the loss incurred in the operation is compensated by increased future yields.

Rather, the more intensive utilization of a given amount of wood fibre on the stump must cover both the extra costs of extraction and the additional stumpage charges.

One informed source ventured the opinion that the waste caused in this manner runs as high as 30 per cent. of the total merchandisable wood fibre of operated Crown lands in Ontario.

Now that, hon. members emphasizes my whole point.

Hon. Mr. Mapledoram: May I ask a question? The hon. member does not think for one minute that the pulp and paper companies want that sort of a situation? What he is talking about in this tax foundation manual—

Mr. Wintermeyer: Oh, no, no.

Hon. Mr. Mapledoram: Is he talking on their behalf or not? I think the hon. member ought to have a talk with some of the presidents of the pulp and paper companies. I do not think they would go for that at all.

In fact, they are getting off very much easier than that, and I do not think they would want us to put them in that position. If the hon. member talks about making it embarrassing for them, I think that would be one way to make it embarrassing, because their whole financing in the pulp and paper industry is done on a premise of getting a timber limit from the government on a long-term lease, with lots of protection.

Mr. Wintermeyer: That is right, but the point I am making is this. I cannot talk technicalities like the hon. Minister can, but I interpret this particular quotation to mean simply this. This timber must be processed profitably. If the industry decides that it is dangerous, or it may not be processed profitably, it will not use particular areas, and it will use only those areas which can be profitably processed.

Now this expert has estimated that it would result in a disadvantageous position for Ontario, not only in respect to the tax but in other respects.

We know that power, water, and transportation are the basic costs in this industry.

In regard to all those things, they estimate that one-third of our timber land in this particular area—that is, Crown lands in Ontario—is not being processed. I say that it simply emphasizes the point that I am making, that what we must do is give a maximum of encouragement to the industry to expand and to prosper.

Hon. Mr. Mapledoram: Surely today it is not a question of expansion or developing the industries. It is a question of supply and demand.

Mr. Wintermeyer: Oh certainly it is, but—

Hon. Mr. Mapledoram: And certainly if we went on that premise, the mills would be up and down—shut down one day and starting up the next.

Mr. Wintermeyer: All right. Mr. Chairman, let me say this. If that is the question, and I agree, that is another way of looking at it. Have we increased our total of American consumption, or has our portion of the American consumption decreased in the last number of years?

Now, not dollar-wise, but percentage-wise. My understanding is that we have lost, in a substantial way, a part of the American market.

Hon. Mr. Mapledoram: It is very hard to guess at that, but I would say this, that in the last two or three years probably 8 new paper machines went into production in the United States.

Mr. Wintermeyer: Exactly, and why?

Hon. Mr. Mapledoram: And in Canada, or in Ontario—let us just take a look at Ontario—there have been probably two or three. It is a question of supply and demand. I agree with the hon. member quite frankly in relation to the southern competition regarding newsprint. I agree that they can deliver newsprint, say down in Tennessee or some place like that, in the New York market for probably \$14 a ton cheaper than we can deliver it say, from Spruce Falls, in Ontario.

Again there is one basic thing that the hon. member does not want to forget. Newsprint is one of the few things that goes into the United States duty free, and certainly the United States people—or the United States government—have been using all the means at their disposal to put themselves in a favourable position in relation to the import of newsprint.

Mr. Wintermeyer: I agree with that.

Hon. Mr. Mapledoram: And they have a lobby going at Washington all the time on the newsprint situation. The publishers and all the other people involved are, of course, spending millions of dollars of the taxpayers' money to develop the pulp and paper industry in the United States.

They have distinct advantage in regard to weather conditions, cost, and all those other things. But they do not have the only thing that Ontario has—a better product.

I think that of course, the southern pine can be developed only to a point. It will come some day and not too far away, I would think—to the saturation point at which they could economically develop any more pulp and paper mills in that area, because of the water and labour supply. Let the hon. member not forget this, that in Ontario we have an organized labour force to which we are paying good wages. In the United States and the southern United States, and in the southern pine market, they are getting cheap labour, exploited labour. But they are going to be organized, and they are going to get into the same position as we are in Ontario. These things are just starting, and we have gone through all these growing pains. They have an edge now but I do not think they are going to have an edge too long.

Again, I say it is a question of demand and supply. Taxes imposed by Ontario last year had absolutely nothing whatever to do with the slowdown of production of the mills in Ontario this year, in my estimation, if the hon. member was trying to make the point that we, by raising the taxes, had something to do with the slowdown in the industry, the cutback from 10 per cent. to 15 per cent. there has been in the newsprint production in Ontario.

Let him not forget this too, that they are not being taxed unless they make a profit. That is the fundamental thing which I think the hon. Prime Minister pointed out. We could have probably increased dues, and had a very good justification for increasing dues. I think the hon. member for York South has advocated it over the last two years, particularly in relation to spruce. I think we could have justified it quite fairly and frankly, because of the amount of work we have been doing on reforestation and regeneration alone.

On this, I may say that the pulp and paper companies have not contributed too much, up to the present time. I think they will contribute, and I think we will co-operate. I must say that we have had wonderful co-operation from them.

But again I say we could have made it a very unjust tax by putting an increase on

Crown dues, which they would have paid indefinitely whether their profits were there or whether they were not. Whether they were in a depression or whether they were not, the dues would be set.

Mr. Wintermeyer: I do not think that I am arguing that particular point. I am simply saying this to the hon. Minister and I think in fairness he will agree with me, that the southern situation is serious. Now it is all right to say he hopes that that encroachment—

Hon. Mr. Mapledoram: Taking the part of this industry, do not forget the same companies.

Mr. Wintermeyer: Only Bowater.

Hon. Mr. Mapledoram: Oh, no. Kimberly-Clark.

Mr. Wintermeyer: Well, that is an American company.

Hon. Mr. Mapledoram: Yes, but they are operating in Ontario. It is an American corporation operating in Ontario. There are other companies operating mills in Ontario. Abitibi is going down now in the United States to build a mill.

Mr. Wintermeyer: Only in Minnesota.

Hon. Mr. Mapledoram: Yes, I know, but the fact remains that they are going down there and, in effect, are competing with their own markets.

Mr. Wintermeyer: Exactly, and does the hon. Minister like that? Does he think it is a good thing?

Hon. Mr. Mapledoram: Well, I still do not think that we should give away the natural resources of this province because of a situation like that.

Mr. Wintermeyer: Well, we are not actually giving them away. I am advocating reserving them for the use of our own people.

Hon. Mr. Mapledoram: Well, that is exactly what we are trying to do.

Mr. MacDonald: I find myself in the extraordinary position of agreeing about 95 per cent. with the government in this argument.

I do not propose to enter into it because I think it will be to a great extent a repetition of the debate that has gone on so far. But I want to underline one aspect of it, that I was rather struck with, in reading through the submission to the Royal commission on Canada's economic prospects by the Canadian pulp and paper association.

On page 99 they point out that the Dominion government's current direct revenues from the forest industries are annually about \$200 million, while expenditures on the forest are less than \$10 million a year.

Now part of our difficulties, regarding an equitable division of expenditures for the development of this industry, arises from the failure of the federal government, under the late regime, to implement The Canada Forestry Act, by investing adequate sums for conservation and reforestation and things of that nature.

They have only paid lip service to the purposes of that Act. Now it seems to me that, if we cannot raise the amount that I think is necessary, at the appropriate level, namely the royalty tax, one answer is that the federal government, when it gets its hands on \$200 million, and only invests \$10 million, might relieve the province of a degree of that load by implementing The Canada Forestry Act.

Mr. Wintermeyer: There is no dispute there.

Mr. MacDonald: I agree, there is no dispute there.

Now, Mr. Chairman, I do not want to pursue that any further because I wanted to start out by expressing my personal thanks to the hon. Minister—and I am sure on this occasion I can do it on behalf of many hon. members on all sides of the House—for the tour of northern Ontario that his department organized last year. The tour was exhausting, but profitable—exhausting in terms of physical energy but profitable in terms of the information we got and the glimpse we received of some of these exhilarating developments in northern Ontario.

In fact, I found it so interesting that I went back to northern Ontario on my own tour for about 15 days, in the latter part of September. I did it, Mr. Chairman—and I say this quite frankly to the hon. Minister and to those in the House who may be interested—because I wanted to get an up-to-date first-hand view of these problems in this great forest industry.

I was able to spend, for example, a day or two on the limits of Marathon and on the limits of Kimberly-Clark. For those in the industry, it will be readily apparent why those two would be chosen. Starting off in the evening, I sat down with their forestry officers, with their timber management officials, and threshed through the problems they face. Then I went out the next day, out through their limits, travelling over their

road systems, seeing their management programmes, their cutting and operations.

Subsequently, I had the opportunity of sitting down with members of the staff of the department in various places like Kenora, the Lakehead and at points down the Canadian Pacific Railway line.

As a result of that, there are 4 points that I want to raise this afternoon, Mr. Chairman. I want to raise them—if hon. members can believe this to be possible—in a wholly unprovocative manner, because quite frankly I think there are some basic problems here.

I give the hon. Minister due credit, as head of this department, for at least moving in the direction of coming to grips with them. I think we are still some distance from the answers, but at least I think we are moving in the direction of coming to grips with them.

What I want to contribute this afternoon, I repeat, is a sort of unprovocative contribution to thinking on these problems.

The first one, Mr. Chairman, is this problem of regeneration. When one visits an area like that of Marathon he finds a highly-mechanized company whose approach to the whole regeneration problem is that nature will do the job 85 per cent. They feel that all that is needed is to supplement natural regeneration a little to guarantee the next crop cycle 60, 70 or 100 years from now.

Then one moves a very few miles west, into an area that is quite similar but managed by a different company, Kimberly-Clark. Their approach is radically different. They say one cannot expect nature to reproduce the next crop cycle, and they start from the time they cut the trees on the assumption that they have a very serious job to do in the way of assisting nature through extensive reforestation.

Now, the first point I want to make and make emphatically, is this: As a layman, I find it extremely difficult to reconcile these two approaches. In each instance we have professional foresters, whose integrity and whose knowledge it is impossible to challenge, and yet they come up with completely different solutions.

Now I know this is a very difficult challenge to throw to the hon. Minister, but I want to say to him that I think very soon it is going to be necessary for The Department of Lands and Forests to lay down the standard of regeneration and to accompany it with regulations to make certain that that standard of regeneration is fulfilled.

The reason why I say this is not only because of the contrast between one company saying that 85 per cent. will regenerate naturally, and the other one saying it simply is not the case.

There are many companies that are doing nothing, or next to nothing, I am convinced. They are doing nothing because they are waiting for the government, in effect, to lay down the rules; and when the rules are laid down for a standard of regeneration, they will live up to them.

As long as the government delays in laying down the rules, they are going to do practically nothing. And the longer we wait, the longer we are going to have inadequate regeneration.

Therefore we shall not be fulfilling our trusteeship for future generations in assuring the adequate regeneration of this resource.

Hon. Mr. Mapledoram: Would it be all right for me to answer that one point now? I understand the hon. member has two or three points he would like to make, and I would like to speak on that point while I am thinking about it freshly.

I thought I made it abundantly clear, when I asked for my vote on the project of regeneration. I am thinking entirely along the same lines as the hon. member for York South.

I, as hon. members know, grew up in the pulp and paper industry, and I have had the privilege of meeting a great many foresters, and I think we have on our own staff, in The Department of Lands and Forests, about 200 foresters, and probably there are 300 in industry at the present time in Ontario.

And I would venture to say, if we put the whole 500 foresters into one big room, we would have 500 opinions on how this job should be done.

I made that very clear in my initial address that this was a major problem. And I, for one, asked this House to vote substantial amounts of money on the project of regeneration with the thought in mind that we would come up with a plan.

Now I can say to the hon. member that this year we have that plan. We have had 2.5 years of experience on projects—pilot projects—across the province in different areas. We have what we think now is a basic plan; and I think I was called to task by one of the editorial staff of the *Toronto Globe and Mail* not so long ago, because of my very timid approach to this whole programme.

Well now, I would like hon. members to realize it was not a question of being timid, but the situation was that we did not have some of the answers. I knew if I did force the pulp and paper companies under the rights which we have under The Crown Timber Act to tell them they had to do these things, then we would have had probably 20 or 30 different kinds of plans which would have been impossible for our staff or anybody else to ever oversee or see that it was done properly.

Now, as I say, we have had 2.5 years of actual working at this programme. We have had the benefit of the advice and the co-operation of all the major companies, and all the foresters in this province. I say it has been a big programme, we have spent to date over \$2.5 million on research, in trying to find some of the answers.

I said—but I do not know if anybody paid too much attention to it during my speech, that we were probably one of the first, if not the first, province to actually embark on this programme in Canada. There has been very little done anywhere else in the North American continent on it in a sizeable way except in Ontario.

But I do think that now we have the basic plan. We have had discussions with industry and, in fact, 3 very well attended meetings in which industry has agreed completely in principle with what we want to do. And we are now in the process of getting ready to sign yearly agreements on what shall or shall not be done in a specific area.

This will be done on a yearly basis for certain very basic reasons, because we may find out within the year that we are making some mistakes, and if we had a long-term programme on that particular project, it would mean a lot of red tape to get it all undone again.

So we have agreed on a principle of a one-year contract, and the companies have agreed to go along with us, to utilize their foresters, their equipment, and everything else, and we are to work along with them.

I said in my speech, too, it would be on a 5-year programme, and that we could go back after 5 years, because I think it will take 5 years to find out if we are on the right track.

But basically this year, the year 1958, we are instigating a project of regeneration by putting a plan into actual practice. I say that this plan may have to be changed, or some other thing may have to be brought in, to make it better or more efficient. But we think we have the basic thinking now, after

2.5 years of intensive study by our research division, by our timber division, and by our foresters across the province. I would be the first to admit we do not have complete understanding, but we do have a basic plan which industry has accepted.

I think that is a great day in Ontario, to have that step which is being made this year, and I might say I am very proud of my staff for the amount of work they have put into it.

I just wanted to have the privilege of answering that particular point while it was still fresh in my mind.

Mr. MacDonald: I am very glad to hear we have been able to reach the point of co-operation with industry to assure ourselves of the job of regeneration on each annual cut. I want to make this final point before I leave this question of regeneration:

The reason why I think we must get industry to accept this part of the load is that, when the Act was passed—I have forgotten the name of the Act—in 1953 or 1954 the province assumed responsibility for all of the regeneration on the lands that have been cut over until then. They absolved the companies of any obligation that they had not fulfilled in regeneration in previous years.

The result is, if one goes back to the Kennedy report of 1948, we know there are literally millions of acres of land that could be regenerated in this province, all of which are the obligation of the government.

Now, in this message that we got from the hon. Minister—this piece of departmental literature—he states by 1962 he expects to have 67 million trees to reforest. The only comment I have is that I think that is about half of what we need if we are going to catch up on those millions of acres.

Hon. Mr. Mapledoram: To show how advanced we are over other provinces in the Dominion of Canada; I might point out that Ontario produces two-thirds of all the trees grown for reforestation in Canada today. Nova Scotia produced 300,000 trees; Prince Edward Island 100,000 trees; Manitoba 1.625 million trees; Saskatchewan 375,000 trees; Ontario 32 million trees; Newfoundland nil; New Brunswick nil; British Columbia 14 million trees; Alberta nil.

As for Quebec, there is a question mark there, but I think they produced 4.5 million trees.

The federal government—now get this—the federal government produced less than 500,-

000 trees. And they spent less than \$2 million on reforestation for the whole of Canada.

Mr. MacDonald: Yes, but the hon. Minister knows that out in British Columbia, and down in the Maritimes, because of climatic conditions they do not need as much artificial regeneration. Our problem in Ontario is that we have difficult climatic conditions that require a great deal more artificial regeneration. Our problem is much greater. Therefore we are going to need all these many more trees for reforestation.

Hon. Mr. Mapledoram: I would like to say this, that we are not too sure about that. There are a lot of things can be done to help along the regeneration, and I must say that it is a very difficult thing to assess where we are going.

I admit quite frankly that it is going to be a great reforestation project to fix up the burned over areas and some of the larger areas. We have assumed that, and that is our problem.

But the other basic thing that I must say is that one just does not start to plow the ground and clear a site for a nursery, and plant trees next year like one would a crop of potatoes. It is probably 5 years after one clears the land that he gets his first seedling.

As I say, we have gone into this nursery business in a big way, and we are now getting two large nurseries in the north into production. We hope to get them started this year. But it is a terrific problem, and not only basically a problem because of the fact that we have to get trees growing, but in fact to get the type of land that we want to grow trees on.

Peculiar as it may seem, the type of land that is most suitable for reforestation, or for a nursery site, is drift sand, the same sand as they have down in the tobacco country. With irrigation it makes an ideal type of land for developing a nursery, and it is one of our big problems.

Mr. MacDonald: Mr. Chairman, I want to leave this one point and go on to another, because we could discuss it for a long, long time.

The second point I want to raise is in regard to the position of pulpwood that comes from privately owned lands of farmers and settlers in northern Ontario.

The interesting thing here, Mr. Chairman, is that a significant proportion of the annual useage of many of these companies, comes from this source. It may average out at 15

per cent. or 20 per cent.; in some instances it is upward of 25 per cent. of their annual usage. It does not come off their own limits, it comes off privately owned land.

Now, there are two problems I want to raise, in seeking the comments of the hon. Minister.

The first one is this: There is no group in this country, in this province, that is being exploited more than this group. The facts can be simply laid on the table. The average cost per cord, if it is cut by the company themselves, is approximately \$30, and yet the average cost that is paid to these farmers and these settlers for the pulpwood that the companies took last fall was roughly \$20 to \$21 per cord. In other words, the companies are paying the farmers and the settlers about two-thirds of what it costs them if cut on their own limits.

I was very interested the other day when the hon. Minister of Agriculture (Mr. Goodfellow) amended The Farm Products Marketing Act and made it possible for these people to organize on a co-op basis and start a marketing scheme.

Theoretically I agree with the hon. Minister of Agriculture 100 per cent. In practice, I have very serious doubts, because their bargaining power is going to be something below minimum, below zero.

Hon. Mr. Mapledoram: Mr. Chairman—

Mr. MacDonald: If the company—just let me finish if I might for a moment. If the company is in the position to wreck the scheme, and to say to them, "Okay, we will not buy our 15 per cent. or 20 per cent. this year, we will take nothing," they can wreck the scheme. All they have to do is cut more on their limit, even though it costs them \$30 instead of \$21. They can easily wreck the scheme, and the farmers will have to be piecing it together every few years. Their bargaining power is so limited.

I wish them well, although I have little hope for this being the answer to their problem. I do not know what the government's answer to it is.

Now the second problem in connection with these settlers and farmers, Mr. Chairman, is this. If 25 per cent. of our annual cut is coming from private lands, my question to the government is: What is the government doing to assure regeneration on that 25 per cent. cut on private land?

I know that legally it is difficult at the moment to order a person to regenerate on his private land, but if our overall objective

is to make certain that we are going to have in the next crop cycle the same amount of wood that we have on this one, I think it is obviously folly to ignore the regeneration programme on areas that represent one-quarter of the annual cut. I think we have a public need, a public consideration here, that in some fashion or other, the government will have to work out an answer.

Hon. Mr. Mapledoram: Mr. Chairman, far be it for me to ever get myself in a position where I have to defend the pulp and paper companies too much on this cost of settlers' wood. But I do know this, that there are very distinct reasons for some of the spread.

I am not saying it is all of the spread, but the pulp and paper company of course, when they are figuring out their cost of the wood, are charging in their camp, the construction of the roads, and all the other factors involved in opening up and taking out pulpwood. Of course, that runs into a sizeable amount of money with the modern up-to-date camps that they have to build today, so that is part of the picture. That is how the price gets up to \$30.

On the other hand, the farmer is using public roads. He has no labour union to deal with. He is cutting wood himself probably with his sons. He does not have to pay union rates, and he uses the King's highway to transport his wood.

Of course, he pays a licence for that, I agree, but in effect his cost for producing the wood is very much less than for the pulp and paper companies. As I say there is a disparity here of costs. I discussed this matter with the hon. Minister of Agriculture when he was talking to me about this particular Act. Here is a big problem. There are so few of these private concerns, individual operators, who can guarantee delivery of wood. In other words, if the hon. member was operating a pulp and paper mill, and planned to purchase 20,000 cords from farmers or others by private sale, he would have to have 20,000 cords of wood in his yard that winter, or he would be short to run his mill the next year.

Now one of the reasons for the spread is that, because of the fact that they have no organizations, they have nothing to back up their guarantees. In other words, the farmer goes to a mill and gets a permit to deliver so much wood, and he gets one for 100 cords or 500 cords. He goes and gets his sons, and they go out and cut the wood and instead of producing 150 cords or 200 cords, they may produce only 50 cords, and when the pulpwood cut by the neighbouring farmers is brought in to the mill in the summer or in

the fall, the company finds that they are probably 2,000 or 3,000 cords short. Then they have to go and find that wood.

That is one of the basic problems. I think the present legislation regarding pulpwood is good to this effect, that it might get them to set up some co-operative plan where they would all get together. The wood buyer's problem is to get a guarantee of sufficient wood.

Mr. MacDonald: If the companies will play ball and not go out to wreck it as most companies—whether they be tobacco buyers or packers—have done, it may work.

Hon. Mr. Mapledoram: I must say that I investigated very thoroughly that whole situation in Fort Frances, and the hon. member was very active in it as I understood, and I found no basic objection from the company in doing away with a second agency—the storekeepers—whoever were buying the wood from the farmers, and I did find out afterwards that they discontinued it, quite frankly at my advice, because I said it was good public relations. Why could they not write a contract with a farmer in their own office, rather than giving it to the butcher or the grocer?

Mr. MacDonald: Get rid of the middleman.

Hon. Mr. Mapledoram: I did find out after, that the same farmers went back and wanted to get it back into the hands of the butcher and grocer, because he guaranteed their payroll. He guaranteed their winter supply of food, which the company would not do.

In other words, he grubstaked them, and that is one of the basic things that goes on in the north. These people have very little money to start an operation on, so they just cannot open up a camp and go to some wholesaler and get a lot of food. They have to get somebody to back them up, so they go to the corner grocery store, somebody they know, and say they would like to get enough groceries to keep going for a few weeks until they get a couple of cords of pulpwood cut. That is how they operate. When they took that method away from them, they just could not operate.

There are a lot of little things that are involved in these operations, that are really local, and one has to understand them. As I say, there is a lot that could be done in relation to the problem. I doubt the hon. member's figures on the 25 per cent. supply of wood.

Mr. MacDonald: I think it averages about 25 per cent.

Hon. Mr. Mapledoram: It might be 25 per cent. including the wood they bring in from Saskatchewan and Manitoba. I do not think it would be 25 per cent.—

Mr. MacDonald: What about assuring regeneration in these private lands?

Hon. Mr. Mapledoram: That is the point. We do not have any plan at the present time, except that they have the right to apply for tree stock the same as a private person can in southern Ontario. Most of this wood, as the hon. member understands, is coming off homestead lots. I think I said this last year, and I have not got around to doing anything about it, but I think basically our whole homestead Act is wrong.

We say to the pulpwood farmer: "Now, you have to clear a big area, you have to put up a barn, you have to put up a house, and you have to cultivate so much land." I think what we should say to him is: "You have to plant so many trees—

Mr. MacDonald: That is just fine.

Hon. Mr. Mapledoram: —because an awful lot of this land that we are trying to make into agricultural land is pretty rough and rugged land, as you realize."

Before too long, the homesteader realizes that he is not going to have a farm, and he moves off it, and it goes back to the Crown for taxes and the municipalities are angry because they lose their assessment on it, and we get into a real problem.

I have recommended to our people, and I recommended it last year—we have not got around to it, but it will be done—that we come up with some new approach to this.

That would be one way of handling the homesteaders. But then, of course, there are a lot of people who sell pulpwood who have other problems, who own their land outright. Some have wood lots, and they have the privilege of getting tree stock, and we are encouraging them to do so, through our tree farms and other things. I have been—probably some hon. members have, too—to the certification of dozens of these tree farms in the north, and they are on ordinary farms where a man has planted so many hundred trees, or thousands of trees, and he is trying to build up a wood lot. We give him the same encouragement, the same information and we give him the trees at the same cost as he would have to pay if he lived down in southern Ontario. He has the same rights.

Mr. MacDonald: Mr. Chairman, there is just one final point I want to raise, and that is the question of roads. There is a different approach on this problem which appears to me to be new—at least in terms of Ontario experience—that I want to put to the hon. Minister.

I have heard the hon. Minister on many occasions reiterate that, until we have the basic road structure, we simply cannot have a modern timber management programme. They cannot get into the hinterland of these limits if they do not have roads to get in there, quite apart from the problems that it raises for forest fire protection.

In fact, there were one or two striking instances that I got first-hand information on last fall. When I was in the Ontario-Minnesota offices, for example, in Kenora, they pointed out on the wall their Patricia limits north of Kenora. They have broken this limit down into 15 different compartments.

Now the astounding thing, Mr. Chairman, is this. They got these limits in the year 1921, and today—even today—they have only 7 or 8 of the compartments of these possible 15 in operation.

In other words, the remaining half has not been touched, in spite of the fact that, for example, bug worm has gotten into sections so that it is being destroyed. The government has 5 or 6 compartments up the Red Lake road, which used to be a company road and is now of course, one of our highways. A new road has been driven into the southwest corner of the limit from north of Kenora, opening up one or two more. But here, 37 years after they got their limit, there is still one-half of it beyond their reach. They cannot touch it because of the lack of roads.

To take another example, in the instance of Abitibi, when I was talking with some of their officials at the Lakehead, they explained that this past summer they had sent their cruising groups into the Auden limits, east of Lake Nipigon, and mapped out 85 miles of roads for future construction. But they said it will take 5 years to build this stretch.

Now, Mr. Chairman, I think we had better quit talking about instituting a modern timber management programme until we can lick this road issue, because we simply cannot have modern timber management if we do not have the roads.

The question I want to put to the hon. Minister is this. I was very interested in reading through the great volume of literature which is now becoming available on this

whole issue. For example, there is the new Royal commission report in New Brunswick, and the new Royal commission report in British Columbia, the second "Sloan report."

In the instance of British Columbia, all primary roads must be constructed prior to the commencement of logging operations, and these roads are the property of the Crown, available to the licensee for the purpose of the contract only.

By separate contract, the department may agree to assist in the financing of these primary roads up to a maximum of two-thirds of the cost. When funds are advanced from the forest development fund for road construction, the amount is repaid at a rate per unit of timber cut by an addition to the stumpage used.

In other words, Mr. Chairman, when a company gets a certain limit, before they can start operation they have to build their basic road structure. I am very anxious to get the hon. Minister's reactions to this approach.

Our approach in Ontario has been different. A company may spend \$50 million on a mill. The only way they can get the resources to keep this mill operating is to cut on their own limits; but they spend only a few hundred thousands of dollars to begin with on their road structure, and then gradually expand their road system out of current profits.

Now, obviously, if they are going to try to squeeze something out of the current profits—concerning which my hon. friend from Waterloo North is so worried—there is not going to be enough. As a result they build their roads piecemeal over the next generation or two.

My question is this: While it may be difficult to get the companies to change their approach, why is it not possible in our laws to do what they have done in British Columbia? The net result would be that if a company gets a huge limit, and has to raise \$50 million for the mill, they may have to raise \$53 million or \$54 million to complete their basic road structure at the outset. They would then be in a position to bring their timber out from the hinterland as well as close to the mill, before it becomes too old and becomes lost. They would be in a position to tackle such bug worming infestations as we have in the Patricia limit of Ontario-Minnesota.

In other words, one would be able to operate the whole limit on a timber management basis.

Now, why it is not possible to make it necessary, before a company gets into opera-

tion, that they build that basic road structure, and that it become part of their capital expense rather than being handled piecemeal out of current profits?

Hon. Mr. Mapledoram: Mr. Chairman, of course the hon. member from York South realizes how many new mills have been built in Ontario in the last 10 years. Marathon and Kimberly-Clark at Terrace Bay would be probably basically the two new mills. Now Marathon has a very, very effective road system going right through their limits, and Terrace and Long Lac are typical examples again. They are in a little more fortunate position because they can use highway No. 11 going right through the centre of it.

Mr. MacDonald: But if I am not interjecting—

Hon. Mr. Mapledoram: Just a minute now, I am not going to argue against that principle, because I think that it is a sound principle. I may say this, that I have already had discussions with the Anglo Newfoundland people at Sioux Lookout, and with Argus Corporation or the Huronian Wood Products people, who are projecting a mill in the Georgian Bay area around Blind River.

I suggested to them that they should be developing a road system, and I have already had them in my office, and they have already been talking to our foresters. I have told them that we want to approve their road systems.

In other words we are not going to allow them to go in there and just build roads, they are going to come in and have them approved by our foresters on the basis of a management plan, and when we approve a road we expect them to build it. My officials said that they quite prefer to do that.

Now, as I say, I cannot be criticized—and I do not think that department should be criticized—for the sins of our fathers, because what the hon. member says in effect is true.

The other thing that is very, very bad is the fact that, over the many, many years, there have been millions of dollars wasted in building roads in northern Ontario, because two companies could not make up their minds as to where they wanted to build the roads. I have been working on that plan now for two years, and I must add that I really worked at it, and I have had my advisory committee work on it, and they are all representatives of some type of industry.

We have now, for the first time, had some sort of an offer from the federal government that looks mighty attractive to me as the Minister of Lands and Forests, for the

development of forestry roads or "resort roads" as we would like to call them.

Mr. MacDonald: But there is very little money in it.

Hon. Mr. Mapledoram: Well, it is \$7.5 million in the next 5 years, on a 50-50 basis. That is \$15 million, which would build a lot of road.

I expect this summer to go out to Alberta to see the roads constructed by the Alberta government on the slopes of the Rockies, which I understand are the type of thing that Major Kennedy and people like that have advocated for the province of Ontario. His thinking along these lines is that roads should be built in the watersheds and probably 5 or 6 main highways traversing from the lake towards the north.

But I say that the sins of our fathers are certainly there, because paper company after paper company are trying to hold their own little empire together, and because they could not get along with their neighbour on the right, or the neighbour on their left, or because there was some little thing that was wrong, they could not say:

"Well, we will build the road along the edge of our limits, and you can use part of the road and we will use part of the road, and we can build lateral roads off that, and we will have a nice road system."

But they could not get together on it. As I say, I do not see why we should take them off the hook too much regarding this. But I do think that we should build roads, and I have already told two prospective companies in Ontario that they will have the roads.

Mr. MacDonald: What about the companies that are in operation now?

Hon. Mr. Mapledoram: Well—

Mr. MacDonald: Take the Patricia limit. Here is half a limit still untouched, no roads in it beyond there.

Hon. Mr. Mapledoram: Well, I do not know where the hon. member got the word "Patricia" because as I understand it Ontario-Minnesota paper company are not operating in Patricia. They have the English River limits.

Mr. MacDonald: Their limit is north of Ontario, north of Kenora and Dryden from there to—

Hon. Mr. Mapledoram: That is certainly not in our area. I just wanted to quote something that the party the hon. member repre-

sents, or the people that he feels are represented by him, the lumber and sawmill workers union, whom he advocated as great followers of the CCF, stated in a report prepared by Mr. Bode.

Mr. MacDonald: Well, I will tell the hon. Minister a bit about that report if he wants me to.

Hon. Mr. Mapledoram: I just want to read what he said about their Ontario-Minnesota pulp and paper company. I think that it is a good—

Mr. MacDonald: I know what is in that report, and let me say that they have some very serious doubts about what they made, because they made it on the basis of the propaganda from all the companies.

Hon. Mr. Mapledoram: Oh, no, what information they got—

Mr. MacDonald: I do not want to be provocative, I do not want to argue this case.

Hon. Mr. Mapledoram: This is what I would like to put in the record.

Mr. MacDonald: It is not too reliable.

Hon. Mr. Mapledoram: Well, here is what it says:

The Ontario-Minnesota pulp and paper company has considerable wood reserved, and it has undertaken a very substantial forest conservation programme, in order to assure the wood supply to its mill.

About 10 years ago, the company started a programme to divide its concession areas into small sustained yield cutting units, and its objective is to make the wood operating in each unit permanent.

Working towards a goal of harvesting the amount of wood grown each year in each individual unit, the company has now established 30 of these units on its limits, and the planned annual cut is approximately 6,000 cords per unit.

This method avoids a shortcoming of large clear-cutting operations [which the hon. member objects to] which were previously outlined under the present practices. It encourages wood regeneration, maintains a good distribution of the age classes, maintains good water supplies, improves the selection species, and above all it tends to increase the production it has per acre.

The company has further attempted to avoid soil erosion in certain areas by select

cutting methods, leaving a sufficient amount of wood on each acre, permitting the trees to hold the thin soil, and limited water supply, on rocky land.

The company has also planted a considerable amount of trees in spots where natural regeneration would appear inadequate.

Summing up, it should be stated the Ontario-Minnesota pulp and paper company has one of the best forest maintenance programmes in Ontario, operated on a sound forester's principle. The company deserves full credit for this work from which all are sure to benefit.

I thought that hon. member would like to hear that.

Mr. MacDonald: I would like to tell a little story. I know all about that—just a minute now. Last fall when I visited the Ontario-Minnesota offices, it was in company with two top officials of the lumber and sawmill union. As we were going into the offices, they commented that this company has a pretty good record on regeneration. I said that, while I reserved final judgment, my information was that such was not the case. We went in and we had an hour and a half discussion.

Afterwards, the officials of the union, who had sponsored this particular report produced on the basis of company information, came out of that office, persuaded that their report was not correct.

I am not going to go into the details of it now, but I am equally persuaded that Ontario-Minnesota publications in this connection present far too rosy a picture.

Hon. Mr. Frost: Did my hon. friend talk to them about the report?

Mr. MacDonald: No, I did not talk to them. All I did was to draw to their attention, and prove to their satisfaction after listening to the company officials, that the report which they had drafted in a very sincere effort to present the facts to their members was all on the basis of company information.

I want to tell the hon. Minister that for years the company has been putting out information about what they have been doing in reforestation and regeneration. This "information" is not worth the paper it is printed on, because many of them have done very little until now.

Hon. Mr. Mapledoram: There is another paragraph, I think—

Mr. MacDonald: I have heard all—

Hon. Mr. Mapledoram: The other paragraph goes on to say:

The Department of Lands and Forests should have its hands strengthened in every way possible and its conceptive sound forestry methods should be put into practice not only in its own work and its education programme, but it should also be enforced on Crown lands of private operators who are presently responsible, mainly, for forest planting. The Crown Timber Act provides that all companies operating on Crown land are responsible for satisfactory regeneration of the forest which they have. This regulation is the key for forest preservation and it should be enforced in all its instances.

I just got through telling the hon. member that we are putting that into effect this year.

Mr. MacDonald: A little late, but congratulations on doing it.

Mr. A. R. Herbert (Temiskaming): I would like to take this moment to say that the hon. Minister and his staff are to be congratulated for the approach they have in dealing with our problems. The people need the many services from his department. His personnel understand the proper way to attend to them. The hon. Minister and his executive are planning ahead as they rightly should. They are continually doing reviews to serve our wants, and those of the future generations, in a satisfactory manner.

Mr. R. Whicher (Bruce): It would be interesting to see a vote where the hon. Minister would like to say something about the fish hatcheries situation in Ontario—how many there are, if they are all working, and something about their plans for the future.

Hon. Mr. Mapledoram: How many hatcheries there are? The hon. member will notice in my speech today that we were assessing the probability of rebuilding some of the hatcheries and putting them in shape, and trying to do something more.

Mr. Whicher: Are they all in use now?

Hon. Mr. Mapledoram: Well, all the ones that we have or are ready for use, I will put it that way. I am not particularly talking about the one in the hon. member's area.

Mr. Whicher: Why are they not in use?

Hon. Mr. Mapledoram: Well, one of the big problems, as far as the hon. member is concerned, is right in the Great Lakes, I suppose. He is not talking about inland lakes.

One of the big problems in our fish hatchery is trying to get enough eggs to run our hatcheries, and when we have an area where the fish population has fallen off as large as it has in Georgian Bay, it has been very difficult to get sufficient eggs to keep that hatchery going. The hon. member wanted to know, the number of hatcheries? There are 22 hatcheries. Does he want the detailed information on it?

Mr. Whicher: No, I would just like to know this. The hon. Minister says that he is going to fix them up, and so on.

Hon. Mr. Mapledoram: We are going to try this experiment on the splake.

Mr. Whicher: Where is the department going to get the larvae for them?

Hon. Mr. Mapledoram: Well, the species I was talking about that we are going to try to introduce is an inland lake trout, and we bring those from inland lakes.

As I say, one of the big problems in Georgian Bay too, in that hatchery up there, is getting enough eggs to keep their hatchery going, and as far as I am told it is impossible to get them. We have 22 fish hatcheries which include 8 trout rearing stations, 6 jar hatcheries and 8 pond stations.

Now the Collingwood hatchery was closed on temporary basis in the fall of 1956. This closing was effected because of the lack of suitable egg supplies, and because normal hatcheries stock of pickerel and white fish was not required for local distribution.

What is the name of the particular hatchery in the hon. member's area?

Mr. Whicher: Southampton and Wiarton, or Chatsworth.

Hon. Mr. Mapledoram: Chatsworth, is that the name of it? Well, it is going to be rebuilt this year, and it is going to be modernized, so that we can try this experiment in that area, and we are hoping that that will be of some value.

Mr. Whicher: Mr. Chairman, I wonder if the hon. Minister would say something about the commercial fishing industry in this province?

There are, of course, many commercial fishermen who are out of work due to the lack of commercial fish, and many of those

who have gone out of this industry are very much concerned. The fact is that they feel that to some extent the department, over a period of years, has been responsible, because many of these fishermen claim that there has not been enough control over this industry, and that the fishermen have fished it out and that they are continuing to do so.

Now I would like to have the hon. Minister say something about the number of licences and so on.

Hon. Mr. Mapledoram: That has been one of the real problems that the hon. member for Bruce just realized. The fishing people are hard to stop. Most of them have had their grandfathers fish before them, and it is more or less a hand-down in the family, and as the family did better they wanted more fishing and more licences in some cases.

After all, when we have a declining fish population in the Great Lakes, which is largely due to the eel lamprey, it has been very difficult to satisfy these people.

If I am not mistaken, there is a very strong rule that we do not issue licences unless it has been approved by the fishing people themselves in that particular area, that is the fishing association in the area.

Mr. Whicher: Who controls the number of nets that one might use?

Hon. Mr. Mapledoram: The Department of Lands and Forests does.

Mr. Whicher: Is the hon. Minister sure that it does?

Hon. Mr. Mapledoram: Well, I expect that we do. I could be wrong.

Mr. Whicher: I hear rumours that one man may have a fantastic number of nets in certain areas, and that there is no certain or strict control on this.

Hon. Mr. Mapledoram: Well, I have, quite frankly, been guided by the fishermen themselves in this matter, and I would think that the fishermen themselves would know if that were going on to their own detriment. We do not authorize any increase in licences unless it goes before the commercial fishing group in that particular area they are fishing in. That is about the only way that we can have any control over it.

But as I say, they may be getting away with something. I have met a lot of those Georgian Bay fishermen, and certainly they are looking after their own interests if they can, and I would say there may be hundreds of licences up there, but a great many of them

are not being used because there are no fish to catch.

Mr. Whicher: I have just one more question. If there are complaints which come in from the commercial fishing association, would the hon. Minister be willing to act?

Hon. Mr. Mapledoram: Absolutely. As I say, we take our guide from these associations because they are the people who are working at it. It is their industry, and it is their concern if it does not go right.

Our officials are meeting with those people continually, and I would say without fear or reservation that if there is some particular complaint in the area the hon. member is thinking about, we would be very happy to have our people investigate it and get a report on it. I do not know of any.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Chairman, I was unavoidably absent for a few minutes. I hope this question was not asked, but what were the returns from the logging tax imposed at the last session of the Legislature?

Hon. Mr. Mapledoram: Mr. Chairman, I think there must be some misunderstanding. As far as a logging tax is concerned, it is not a factor in Lands and Forests estimates at all. It comes under The Treasury Department, and I meant to tell the hon. member for Waterloo North that, when he was directing his remarks to me about the logging tax, but it is not collected by The Department of Lands and Forests.

Mr. Oliver: It is collected from The Department of Lands and Forests.

Hon. Mr. Mapledoram: No, it is not collected by them.

Mr. Oliver: No, not by them but from them.

Hon. Mr. Mapledoram: I have no figures on that whatsoever in my department.

Mr. Wintermeyer: Mr. Chairman, may I say to the hon. Minister that I believe the budget suggested that he has revenue in the approximate amount of \$20.5 million.

Hon. Mr. Mapledoram: Crown dues and other things, not logging tax.

Mr. Wintermeyer: It does not include any logging tax whatsoever?

Hon. Mr. Mapledoram: Oh, no.

Vote 901 agreed to.

On vote 902:

Mr. G. C. Wardrope (Port Arthur): I want to say to the hon. member for Bruce that in my area, as far as fishing licences are concerned, as the hon. Minister explained, our professional associations of commercial fishermen are very much in the know when a new licence is even proposed. As the hon. Minister says, they pretty well direct whether another one should be allotted or whether it should not be, because they know what the lakes will stand. I believe that is a very safe way of awarding commercial fishing licences. I agree with it thoroughly.

I want to ask a question afterwards, but I want to congratulate the hon. Minister on his new organization which appoints two assistant Deputy Ministers, one for northwestern Ontario and one for southwestern and eastern Ontario. He has chosen two men who have a splendid background in forestry and all of those phases of his department in the persons of Mr. Bray, who is coming to our area, and Mr. Acheson, who is going to be in the east.

I think it is a very forward looking step, and one that is going to make the machinations of his department much easier to handle.

In other words, it is decentralizing control. All control will not be held in Toronto as formerly, but the western part of the province will have a man who can say yes or no to things up in that area, and so will eastern Ontario.

It is all to the good, and something I believe that is a very advanced step, and I want to congratulate the hon. Minister on it.

I also want to congratulate the hon. Minister in the new parks programme and roads programme. In my area that is now proving, and can be seen to be, a great advance, and the people are very, very pleased with it, and it is going to be a great help in forest fire protection. It is opening up access roads in these large timber lands where formerly it was very difficult to get fire-fighting equipment in, in case of fires.

May I say a word about the logging tax. I was trying to get a word in for a long time there, when there was no one speaking, but I have an article here about Abitibi.

Some hon. members: Oh, no.

Mr. Wardrope: I am one who would be very, very sensitive to any increase in taxes at this time, because we have some 11 paper mills right in our area, and these boys who are talking have none. So we are far more concerned than they are with these taxes, but

as they know, a government has to get revenue from some place. Let me give Mr. Ambridge's—he is the president of Abitibi—statement as to why this year their annual position was not as good as previously.

He says a decline in earnings in Abitibi Power and Paper Company is attributed to discount on United States funds, a reduction in newsprint volume, increased costs of production and freight rates, income taxes and start-up expenses of the new mill at Alpena, Michigan and logging taxes.

I notice he mentions that last, so it must be insignificant.

Now the cost of production—I mean in the overall picture, and I will tell hon. members why in just a minute—the cost of production of all the company's products continues to increase, in spite of all we can do in the direction of labour-saving devices and equipment.

The principal reason for this is the yearly increase of the wage rates of industrial workers without a compensating increase in productivity. Total production of paper pulp and board dropped about 5 per cent., while newsprint production dropped 6 per cent., from 1956, but the fine paper subsidiary, Provincial Paper Limited, which is in my town incidentally, increased its volume over 1956, which I was pleased to see.

Now here is the point: Production capacity of newsprint appears to exceed the demand by 10 per cent. to 15 per cent. Observers of the United States economic scene appear resigned to the fact that at least the first half of 1958 would be a period of uncertain business conditions. If this is true, there is little doubt that newsprint production in 1958 will be less than in 1957.

Now I would like the hon. members of the Opposition to remember that the logging taxes are based on profits, therefore they cannot increase costs. It is the lack of demand as against the increased production.

Mind you, as the hon. Minister explained, many new mills have been built. It will catch up, and in a very few months I hope to see the pulp and paper situation again very prosperous, and there will be no talk of this logging tax. It is not a major factor, so therefore I do not think it should be of major concern.

Now, the last thing I want to say is this: Could the hon. Minister give me some information as to the success he has had in controlling lamprey, which has had such a disastrous effect on our Lake Superior trout fishing? That is one thing that is very im-

portant, and I would appreciate any figures the hon. Minister might have on it, and how he is coming along regarding control.

Hon. Mr. Mapledoram: Mr. Chairman, as the hon. member for Port Arthur probably realizes, we have had a very extensive programme of building electric weirs in all the tributary waters running into Lake Superior, and I do know that Michigan and other governments on the American side have a like programme going on on their side of the water.

But just recently there was a meeting in Toronto of some of the Great Lakes people, both American and Canadian, held under the auspices of the Great Lakes fisheries commission, of which one of the members of our staff is a member.

They have had some extensive experiments on poisons and control of the lamprey through poisons in the state of Michigan. I understand they have some measure of success, and they are very hopeful.

One of the members from the American side tells me that he saw more gleam of hope in the last 6 months than he had seen in the last 5 years.

In other words they feel they have some support from some of the big industrialists over there, who have employed very high-class scientists to work along with them. They have now given the scientists the right to sit in with these fishery people, and to give them advice, and there is a real concentrated effort in fact on all sides of the water, by all types of government, to try to do something about this problem.

Hon. members will probably note that my estimates are up in that particular feature this year, as we are trying to do a little more on our own in Ontario, but more in relation to restocking and to help to bring back some of the fish population in some of the lakes.

Actually, there is nothing definite, but there is some hope that some of the things they have been experimenting with will be of some real benefit to the situation in the near future.

Mr. Wintermeyer: Mr. Chairman, on a point of order, may I ask the hon. member for Port Arthur a question in conjunction with what he has said? Who is the author of the report that the hon. member read—the president of one of the companies?

Mr. Wardrobe: It is from the *Financial Post*.

Mr. Wintermeyer: But is it the president of one of the companies?

Mr. Wardrope: Yes, the statement is made by Mr. Ambridge, the president of the Abitibi Power and Paper, and it is in the *Financial Post* of March 4. That was at their annual meeting and B. W. Ambridge is the president of the Abitibi Power and Paper Company.

Mr. Wintermeyer: Does he have an office here in Toronto?

Mr. Wardrope: Yes, on University avenue.

Mr. Wintermeyer: On University, not far from here?

Mr. Wardrope: Yes, that is right.

Mr. Wintermeyer: Well, would the hon. member for Port Arthur consider visiting that office with me, and tabling his observations of this particular tax?

Mr. Wardrope: Oh, I know what it is. Naturally every tax—

Mr. Wintermeyer: I was going to accept the challenge, but he has already—

Mr. Wardrope: Oh, I have talked to him. I will go, certainly, I would be glad to. I am a friend of his, although he objects.

Mr. J. P. Spence (Kent East): May I ask the hon. Minister a question? I believe last year it was decided to charge an entrance fee to parks, and I believe at that time there was something said about some of our tourists not paying anything towards the facilities of the parks. I wonder if the hon. Minister could give us the number of tourists who visited Ontario provincial parks in Ontario this year?

Hon. Mr. Mapledoram: I cannot give the number of tourists, but I can tell him the number of people who paid admission to parks; \$170,000 was collected from that fee this year, and we expect to perhaps hit the \$200,000 mark next year.

Mr. Oliver: Mr. Chairman, would it not be quite all right, quite helpful to know the number of tourists who visited these parks? I imagine that could easily be arranged by the department, and then we could know if people availed themselves of these facilities, whether they were Canadians or whether they were from another country. I think it would be very helpful.

Hon. Mr. Mapledoram: I think we would have that information in the office.

Mr. Spence: Would the hon. Minister obtain it for us?

Hon. Mr. Mapledoram: Yes, I would be very happy to. I do not know if we can give it in detail, but we certainly should have some information on it.

Mr. Spence: I believe there have been some rumours that they are not going to re-tender the dance hall concession in Rondeau park this year? I was wondering if the hon. Minister could give me some light on that, whether they are going to tender it or whether they are not?

Hon. Mr. Mapledoram: Well, I would rather not make a public statement in the House on that. I think it is a very controversial subject in the riding of the hon. member. If the hon. member would care to come and talk to me about it, I would be quite happy to talk about it. I think all he is going to do is hurt a lot of people.

Mr. Whicher: Mr. Chairman, I wanted to pay a compliment to the hon. Minister in regard to the parks. We have a very nice one in my riding, and there is now another one going in, and there are a number of men employed there now. I think it is one of the best parks set up by this government.

But in case hon. members think I am the least bit hoggish about this, I remind them that Bruce country is a very long county, and I would like to remind the hon. Minister, after complimenting him so heartily, that in the Bruce peninsula there is room for another park.

I have heard rumours to the effect that perhaps the department would be interested in starting another one there, it is 55 miles north from Wiarton and it is a beautiful place, in the summer time particularly.

I hope by asking him for this that I am not giving the project the kiss of death. I, and the people who live there, and the thousands of tourists who visit that area, would certainly appreciate another provincial park in Bruce peninsula.

Hon. Mr. Mapledoram: Mr. Chairman, I do not think I should let that remark go unanswered. I do not like this "kiss of death" business, because certainly there has been no chance of anybody in The Department of Lands and Forests to overlook a good park situation, no matter whose riding it is in. I say that frankly, because they are too far and too scarce to find, and to get, and too costly. That would be the only reason. I do not see any reason why we would consider whether

or not it was a question of having 3 parks in one riding—I do not think that has been given any consideration one way or another.

Mr. Oliver: Is that the only reason?

Hon. Mr. Mapledoram: That would be the only reason.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, we are on vote 903; there is nothing in there about provincial parks, but everyone is talking about that, so I might just as well get on it, too.

Hon. Mr. Mapledoram: The hon. member is perfectly in order, because the money for parks goes all through this vote.

Mr. Thomas: Mr. Chairman, we have this little booklet this afternoon. I am quite sure it is very interesting. I just looked at one page there, and here we have the different colours: the southwestern region, the south-eastern region, and the south central region. And all of them have red stars against them except the one in Oshawa. I wonder why we do not merit a red star down there, and perhaps the hon. Minister will give us some—

Hon. Mr. Mapledoram: The hon. member cannot have a red mark against it until we get a park there. We own the property but we do not have it developed yet.

Mr. Thomas: Would the hon. Minister tell me what his plans are for the future on that?

Hon. Mr. Mapledoram: Well, we certainly have plans for that area, I would like to tell the hon. member for Oshawa. It is a very desirable property that we acquired from The Department of Highways, and it is a very easy property to develop.

There is actually not much to do there except to put some reforestation on it, and provide some facilities for fireplaces and tables and things like that for picnickers. I would say that it will be one of our more beautiful parks in the next 25 years.

Mr. Thomas: Mr. Chairman, I would like to ask the hon. Minister if he intends to do any work on it this summer?

Hon. Mr. Mapledoram: Oh, yes, we have it in our budget, I am sure of that.

Mr. H. L. Rowntree (York West): Mr. Chairman, I do not want to pose a difficult question to the hon. Minister, and I admit frankly I do not know whether this subject matter fits in, but I wonder if the hon. Minister could give some observations as to the present status of the development of Christ-

mas tree farming on a commercial basis?—I believe there was a change with respect to the supply of the young trees. Is that industry growing?

Hon. Mr. Mapledoram: It is a business. It is the same as running a farm or any other sort of a situation and, I think in most cases a very lucrative business. There may have been an increase in the cost of the stock, but that increase is not only tied to the Christmas tree industry, it is tied to whoever are buying trees because of the increased cost in developing the tree.

Quite frankly, the Christmas tree industry in Ontario has reached tremendous proportions, and they are very interested of course in the one type of tree. That is a Scotch pine, which is a very quick growing tree. We have been asking our department officials to discontinue to some degree the growing of Scotch pine because it is not a tree that is used in industry or pulpwood or saw logs or anything like that. Our main concern on a government nursery is to provide the necessary stock for reforestation across this province.

Certainly Scotch pine does not fit that category, so we have been trying to encourage Christmas tree buyers or the Christmas tree farmers to acquire nursery stock from private individuals, where they can acquire it at about the same price—in fact, I think, just the same price—as what they pay for their trees if they buy them from us.

I do think that there is plenty of stock available from private concerns. If they write in to our department there is some delay. I do not think we have been able to fulfil one-quarter of their orders, or one-half of their orders, for Scotch pine.

We are trying to keep the industry growing but we would prefer, I think, if they did buy more of their stock from private individuals. Does that answer the hon. member's question?

Mr. Rowntree: Yes, thank you.

Votes 903 to 908, inclusive, agreed to.

On vote 909:

Mr. Oliver: Before the estimates as a whole are carried, Mr. Chairman, I want to come back to what the hon. Minister said in respect to the logging tax on profits.

Now, it may be that as a layman I do not see this thing too clearly, but I can understand that a profits tax generally applied and generally collected, from various industries and various people, would prop-

erly be channelled into the Treasury Department. But this particular tax is imposed on a particular industry, and the revenue from the tax, according to the hon. Minister and I think it is right, does not go to The Department of Lands and Forests at all, but goes into the consolidated revenue fund of the province.

Now it is a load on the tax of the lands and forests industry, and the department is not balancing its budget. The hon. Minister is \$3 million or \$4 million short of his assets meeting his liabilities—current assets and current liabilities.

Now, if he wants to balance his budget, it seems to me that we are in this ironic position that we have placed a heavy load, by this logging tax, on the industry. If we want to balance the budget then we have to, by the imposition of some other tax, place an additional burden on the industries under The Department of Lands and Forests.

It seems to me that if there ever was a profits tax, that should go to the industry that gives this tax, it is this particular one. I would like to hear the hon. Attorney-General (Mr. Roberts) on this because this is a tax on a particular natural resource, and the department that operates these natural resources is not able to make both ends meet. Why should not the income from that particular tax be applied to the revenues of that particular department, so that it can make both ends meet? If we want to balance our budget, as I say, we will have to go and impose a new tax in order to do so. That seems to me simply crazy. I do not know what the official answer to it is, but—

Hon. Mr. Mapledoram: Mr. Chairman, I really think the word logging tax is a mis-demeanour. I do not think it really qualifies the type of tax it is.

As far as I understand the tax, it is a processing of the wood from the time it is cut on the limit. After the Crown dues are paid, which is the part of the tax that goes to The Department of Lands and Forests—Crown dues plus whatever bonuses are on that particular species—the logging tax is paid. This is actually a manufacturing tax from the time the wood is cut, put through the barkers, and logged and sawed and on to the mill, then processed into the finished product.

It is, in fact, a corporation tax. That is what it is and by no stretch of imagination has it any place in The Department of Lands and Forests.

But, on the other hand—and this will offset some of the argument of my hon. friend from Waterloo North—we are putting back into the forest industry, from The Department of Lands and Forests, more money than we are getting out. We are putting back a considerable amount of money, maybe not into the forest industries, but we are spending on lands and forests \$2 million or more this year than what we are collecting.

That is due in effect to the fact that our revenue is down from our pulp and paper companies and our saw log industries, to about 10 per cent. to 15 per cent. If we had the mills running at full time, then we would have collected enough—or at least we were forecasting that we would collect enough—to balance our budget.

Now the mills went on short time, or cut 15 per cent. to 20 per cent. less wood than they cut last year, so that naturally our revenue is down.

What we are doing now is forecasting less money in revenue than what we are spending for this year. I will say again, as far as the government spending is concerned, that we are putting back into the forest industries—on reforestation and on regeneration and all the other things—and the natural resources of this province \$2 million more than we are collecting.

On the other hand the Treasury Department is collecting in effect a corporation tax called the logging tax.

I do not know whether that gets the hon. leader of the Opposition mixed up more than I am myself, but I think basically that is what it is.

Hon. A. K. Roberts (Attorney-General): I do not know whether the hon. leader of the Opposition was suggesting there might be some question of legality or not, but—

Mr. Oliver: Oh, no.

Hon. Mr. Roberts: Well, I will then be content with the reply of the hon. Minister of Lands and Forests.

Mr. Wintermeyer: Mr. Chairman, is the hon. Minister saying in effect that this logging tax should more accurately be called a corporation tax?

Hon. Mr. Mapledoram: That is right. It is a different type of tax.

Mr. Wintermeyer: I can appreciate his observations in that respect, but then I say if that be so, why charge a particular industry with an additional income tax of 9 per cent.

over and above what this government is charging generally? Our corporation income tax is 2 per cent.

Hon. Mr. Mapledoram: My understanding is they get some relief from federal taxation on it.

Mr. Wintermeyer: But why charge an extra 4.5 per cent.?

Hon. Mr. Mapledoram: The matters are arranged with the federal government in the provincial and federal tax agreements—

Mr. Wintermeyer: But they are charged an extra 4.5 per cent. Why select this industry?

Hon. Mr. Mapledoram: In other words, when they say they got \$50,000 tax, they are only paying \$25,000.

Mr. Wintermeyer: Yes, but they are paying 4.5 per cent. now.

Votes 909 and 910 agreed to.

Mr. Thomas: Mr. Chairman, before the estimates are finally approved, I have a request from some of the men working in industry in Oshawa asking if it would be possible for the hon. Minister to make a little earlier announcement than he did last year in respect to the opening of the deer season? The reason for this is that they want to arrange their vacations if they can, in that period, and if the hon. Minister could give me an answer on that one, I would appreciate it.

Hon. Mr. Mapledoram: Mr. Chairman, I thought we announced that almost a year ahead now.

Mr. Thomas: Well, I do not know.

Hon. Mr. Mapledoram: The fish and game committee make the recommendations, and we get busy right away, and it is certainly made long before anybody would have a chance to shoot. My impression is we make that one year in advance.

Mr. Thomas: They did not seem to think so down there.

Hon. Mr. Mapledoram: Well, we forecast what the hunting season is going to be for 1959, and we make it in 1958.

Mr. Thomas: For the opening of the deer season?

Hon. Mr. Mapledoram: Yes. Not in old Ontario but in—Yes, for opening the deer season.

Mr. Whicher: When is it for 1958?

Hon. Mr. Mapledoram: I do not know when it is.

Mr. Thomas: When is it then in Oshawa for 1958?

Hon. Mr. Mapledoram: It has not been set this year yet.

Mr. Thomas: No, it is not set this year yet.

Hon. Mr. Mapledoram: The fish and game reports meeting was just the other day, was it not?

Mr. Oliver: Well in respect to the deer season in old Ontario, does the department pay any heed, shall I say, to the representations of the county council?

Hon. Mr. Mapledoram: Very definitely so.

Mr. Oliver: Well supposing the county council said no deer season, does the department ever override their decision?

Hon. Mr. Mapledoram: I do not think we have an instance where we have. I know that in lots of cases we would like to have a deer season, but we cannot get the county council to go along with it, and the sporting public and the people who like to hunt would certainly like to have it too, but county council has said "no."

Mr. Thomas: Does the hon. Minister mean the county councils are not unanimous on it?

Hon. Mr. Mapledoram: No, I do not think they are unanimous.

Mr. Thomas: They are not.

Mr. Mapledoram: No, they are not. I do not think so.

Hon. Mr. Roberts: moves that the committee of supply rise and report that it has come to certain resolutions and begs leave to sit again.

Motion agreed to.

Mr. H. M. Allen (Middlesex South): Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and begs leave to sit again.

Report agreed to.

Hon. Mr. Roberts: moves that Mr. Speaker do now leave the Chair and the House resolve itself into committee of the whole.

Motion agreed to.

House in committee of the whole; Mr. Allen in the Chair.

THE VITAL STATISTICS ACT

House in committee on Bill No. 70, An Act to amend The Vital Statistics Act.

Sections 1 to 5, inclusive, agreed to.

Bill No. 70 reported.

THE INSURANCE ACT

House in committee on Bill No. 87, An Act to amend The Insurance Act.

Sections 1 to 7, inclusive, agreed to.

Bill No. 87 reported.

THE DIVISION COURTS ACT

House in committee on Bill No. 96, An Act to amend The Division Courts Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 96 reported.

THE SANATORIA FOR CONSUMPTIVES ACT

House in committee on Bill No. 100, An Act to amend The Sanatoria for Consumptives Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 100 reported.

THE TRAINING SCHOOLS ACT

House in committee on Bill No. 107, An Act to amend The Training Schools Act.

Sections 1 and 2 agreed to.

Bill No. 107 reported.

THE PRIVATE INVESTIGATORS ACT, 1958

House in committee on Bill No. 115, An Act to amend The Private Investigators Act, 1958.

Sections 1 to 23, inclusive, agreed to.

Bill No. 115 reported.

THE GAME AND FISHERIES ACT

House in committee on Bill No. 117, An Act to amend The Game and Fisheries Act.

Sections 1 to 14, inclusive, agreed to.

Bill No. 117 reported.

THE TILE DRAINAGE ACT

House in committee on Bill No. 118, An Act to amend The Tile Drainage Act.

Sections 1 and 2 agreed to.

Bill No. 118 reported.

THE MINING TAX ACT

House in committee on Bill No. 123, An Act to amend The Mining Tax Act.

Sections 1 to 10, inclusive, agreed to.

On Section 11:

Hon. J. W. Spooner (Minister of Mines): I move that section 11 be amended as follows: that the words "commenced on" in the third line of subsection 2 be struck out and "ends in 1958 following" be substituted so that it will read:

Subsection 2: The Mining Tax Act as amended by this Act applies to the whole or any part as the case may be of the taxation year that ends in 1958 following the first day of January, 1958, and to every taxation year thereafter.

Section 11, as amended, agreed to.

Sections 12 and 13 agreed to.

Bill No. 123, as amended, reported.

Resolution by hon. C. Daley: *Resolved that:*

the cost of the administration of The Ontario Anti-Discrimination Commission Act, 1958, until March 31, 1959, is payable out of consolidated revenue fund

as provided by Bill No. 155, An Act to establish The Ontario Anti-Discrimination Commission.

Hon. Mr. Roberts (Attorney-General): Mr. Chairman, I would like to inform the House that the Honourable the Lieutenant-Governor, having been informed of the subject matter of the proposed resolution, recommends it to the consideration of the House.

Resolution concurred in.

Mr. R. Gisborn (Wentworth East): Mr. Chairman, might I just ask has the hon. Minister any estimate at all of what might be needed or what might be spent?

Hon. C. Daley (Minister of Labour): We are venturing into an entirely new field, and that is why I could not estimate, so what-

ever is required is to be paid out of the consolidated revenue fund.

Hon. Mr. Roberts moves the committee do rise and report certain bills without amendments, a bill with amendment, and a certain resolution, and begs leave to sit again.

Motion agreed to.

Mr. H. M. Allen (Middlesex South): Mr. Speaker, the committee of the whole begs to report certain bills without amendment, one bill with amendment, and a certain resolution, and begs leave to sit again.

Report agreed to: Mr. Speaker in the chair.

It being 6.00 of the clock, the House took recess.

ERRATUM

(Friday, March 14, 1958)

Page Column Insert after line 15:
869 2

Correction

Mr. Reaume: I want to say to the hon. Prime Minister that I did not think he could get so small so quickly.

Hon. Mr. Frost: Well, all right.

Mr. Reaume: But I will tell him this, now that he wants to enter into a public personal argument—

Hon. Mr. Frost: Sure.

Mr. Chairman: Order, order.

Mr. Reaume: On a point of order—

An hon. member: Let the hon. member for Essex North state his point of order.

Mr. Reaume: He has made a personal attack, and I want to answer him on a point of order. I want to say to him that at least I drive a car that is made in the province of Ontario, and that is more than he does.

Hon. Mr. Frost: I may say I do.

Mr. Reaume: He does what?

Hon. Mr. Frost: Drive a car made in the province of Ontario.

Mr. Reaume: Not the one that is out here.

Hon. Mr. Frost: No, well that is all right. I drive a Chevrolet, and I drive an Oldsmobile as a matter of fact—

Mr. Reaume: Back home, back home.

Hon. Mr. Frost: Now I may say this, I would tell my—

Insert after line 26:

Mr. Reaume: Oh put that on the garden, put that on the garden.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Thursday, March 20, 1958

Evening Session

Speaker: Honourable The Rev. A. W. Downer

Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 20, 1958

8 O'CLOCK P.M.

The House resumed.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before moving the next order of business, I see on my desk some Pirate Gold Silver Honey, and I think that it is from the hon. member for Simcoe Centre (Mr. Johnston). Perhaps he would say something about this.

Mr. G. G. Johnston (Simcoe Centre): Mr. Speaker, it is a pleasure for me to place this honey on your desk and those of the hon. members. We produce good honey in Simcoe county, and we also produce good citizens. Five hon. members of this assembly were born in Simcoe county, and I do not think that any other county could say as much. Over and above that, we have produced a Prime Minister of Ontario from Simcoe county. We are very happy about that.

Hon. Mr. Frost: Mr. Speaker, I move that you do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to; House in committee of supply.

ESTIMATES, DEPARTMENT OF
PLANNING AND DEVELOPMENT*(Continued)*

Vote 1301 agreed to.

On vote 1302:

Mr. F. R. Oliver (Leader of the Opposition): Mr. Chairman, I see on the vote there is a vote of \$393,000 for civilian defence. I think that the time has about come, as far as this province is concerned, when we should say that we are either for civilian defence or we are going to wash our hands of the whole affair. I think sometimes that civilian defence should be entirely a federal responsibility. With a vote of \$393,000 we are only playing at the great challenge of civilian defence, and were a bomb to drop on this province, I am sure what preparations we were able to erect with one-third of a million dollars would not help us very much.

It seems to me that, the way we are voting this money, it is almost wasted, because it cannot begin to do the task that is assigned to it, it cannot measure up to the challenge that is there to provide civilian defence for this great province of Ontario.

I would like to hear the hon. Minister in respect to this item. Does he or does he not think that civilian defence should be primarily and altogether a federal responsibility?

Once a bomb drops on this country, then the task of organizing the defence of the country rests upon federal shoulders. It seems to me that, inasmuch as that is true, then civilian defence even in times of peace or cold war periods should certainly be a federal responsibility in its entirety.

Hon. W. M. Nickle (Minister of Planning and Development): I would say, Mr. Chairman, in answer to my hon. friend, that the civil defence programme, as we know it today, was established as a result of representations that were made to the hon. Prime Minister of Ontario by the then hon. Minister of National Health and Welfare (Mr. Martin).

We entered into an agreement with hon. Mr. Martin, and on the federal-provincial level there have been certain monies expended, and we have had successful instruction with nurses, our civil defence workers, our police, and a system of evacuation on our roads.

By and large, it seems to me that the saving of our people in the event of a third world war is a very important thing. The programme perhaps is difficult to stimulate, but on the other hand, it was based on the representations, as I say, made by hon. Mr. Martin to my hon. leader.

Mr. Oliver: I would say to the hon. Minister that the saving of lives in time of war, or any time for that matter, is a responsibility of government, but insofar as only one-third of a million dollars being devoted to the task of preparing this great province for defence in time of war—the kind of war that we might expect—is concerned, that is certainly just peanuts, and I think that we had better either get into it or get out of

it. I see no use at all in proceeding further along this line if this is the kind of support they are going to give us.

Hon. L. M. Frost (Prime Minister): I would say to my hon. friend that this was done according to an agreement, and I must say that I really took his point of view. I think that in the kind of war they talk about nowadays, the civilian population are in the front line, and therefore I cannot see that we can relegate the defence of the front line to methods of purely civil defence.

Now I argued that out with my friend, hon. Mr. Martin, who was then the Minister of National Health and Welfare, and as a matter of fact, this amount represents our cut. But then, of course, there is the municipal contribution in addition to that.

Now I think that it would be a fine idea to have a reappraisal of this whole thing after March 31, 1958, and I am quite in agreement with that. I think that is the way we should look at it.

But, on the other hand, this was done in accordance with an agreement with hon. Mr. Martin. With his eloquence he persuaded this government to look into it, and he felt that it was the way to handle it. That was only a matter of a year or two ago.

I am bound to say that there are some places, of course, where they have done a very good job. I think that probably a good job has been done here in Metropolitan Toronto. On the other hand, there are grave differences of opinion here in Metropolitan Toronto as to the efficiency of what we are doing generally in the matter of civil defence.

Mr. H. C. Nixon (Brant): What is Metropolitan Toronto doing, that is in the way of cash responsibility, and what is the federal government doing for Ontario in this?

Hon. Mr. Nickle: Federal, 50 per cent.; province, 25 per cent.; Metropolitan Toronto, 25 per cent.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, I am quite sure that all hon. members would concur, in the light of the figures of the hon. Prime Minister, and the hon. leader of the Opposition, that it is about time that we had a reappraisal of the whole thing. The hon. leader of the Opposition stated that the item of \$393,000 this year was for civil defence, but what I would like to draw attention to is this, that municipal projects only amounted to \$216,000. Now what on earth can we do with that amount

of money? Further to that question, I would like to ask how we would grant a portion to the different municipalities, of the sum of \$216,000 for civil defence?

Hon. Mr. Nickle: Well, one has to multiply that by 4.

Mr. Thomas: But the municipality is charged 25 per cent. of the total cost, salaries and equipment?

Hon. Mr. Nickle: Yes.

Vote 1,302 agreed to.

On vote 1303:

Mr. R. Gisborn (Wentworth East): Mr. Chairman, I would like to deal with this vote for just a moment. Each year, since I have been a member of the Legislature, I have expressed my concern for the preservation of the Niagara peninsula, particularly the fruit lands. Now I know that the department has set up the regional planning and development organizations, but I do not feel—and I cannot convince myself—that they are going to be able to do the job that is to be done, particularly because of the multiple municipalities in that area. I do not think that the necessary type of co-operation is going to be shown.

I read the speech of the hon. Minister and could find nothing in it referring to the Niagara peninsula, and I would like to have some comment on it, in regard to whether the government is going to take part in the development of the peninsula. I feel they have to give the leadership needed to help the planning group go along in the proper direction.

Now, I think that it should be declared—so that we all know what is going on—whether or not we are in favour of preserving the peninsula in regards to the proper type of planning, industry, recreation and all that is needed, or whether our policy will be to chop down every tree and bulldoze every field.

I understand that there was quite a lengthy survey taken of the problems down there, and I believe that it was somewhat controversial as to what degree it will be successful.

I want to quote two paragraphs from the *Toronto Globe and Mail*, written shortly after the survey's report was brought down, because I certainly feel that it needs some clarification:

The 148-page report which was compiled by The Department of Agriculture has been carefully censored. Valued parts

of the original geographical investigation, which indicated that provisions of The Assessment Act, The Planning Act and other existing legislations could be applied to preserve the fruit lands, have been omitted. Despite the omissions the reports still showed it would be desirable to preserve the fruit lands. The missing recommendations, if they had been adopted, would have been applicable at the municipal levels in the first instance rather than by the province.

However, this newspaper has maintained that the use of such assessments for farms, zoning regulations to discourage encroachment on farm lands, and the like, should be encouraged by adjustments to comply with provincial grants.

I would like some comment on that and I think that the government should declare a policy in regards to the Niagara peninsula.

Hon. Mr. Nickle: Well, I would say to the hon. member, in relation to the question, that there are two schools of thought on this.

One is that the Niagara peninsula should be kept as an agricultural area, having regard to the fine display of the trees when they are in bloom in the early part of the season. There is the other point of view, where people who have owned areas of land in the fruit belt have represented to us that they have had opportunities to sell their land.

We think in the planning department that there should be a co-ordinated proper planning approach, and by that I do not mean sell here and sell there, what I would call pot-shot sales. I think it should be co-ordinated to the highest possible degree, that is the policy of the department on that score.

But I do say this, that it puts us in a difficult position when a man who perhaps has reached what might be called the twilight of life comes along, and says he wants to sell his property for industrial development, then it is a very difficult thing for me to say that he cannot sell.

Now we think that if we develop this area slowly, taking into consideration all the inquiries made incidental to good planning, that perhaps we will have to go along and have some respect regarding the people who own the land. There is a Louth report, I may say, that was prepared for and filed with The Department of Agriculture. They are interested in this as it is a rural area; but, as I say, this is a free country. It is pretty difficult to say to people who want to consolidate their fortune, to provide for what I might call an annuity for the years that lie

ahead, "Thou shalt not and cannot sell." Well, there it is.

Hon. W. K. Warrender (Minister of Municipal Affairs): May I make an observation on that point. It is true that the dispute of this report has come in concerning Louth township, which would indicate that there should be some protection to the farmer and for those who are growing fruit.

But it is interesting to note that a month ago a report was handed down by two geographers from McMaster University. Their names have escaped me for the moment, but they came to the conclusion that there may well be a more economic use for land than growing fruit.

One of the reasons for the setting up of these regional planning associations, not only down there but throughout the province, was to aid the whole area to get together in a concentrated effort to do what was thought best in a planning way for the area. Speaking particularly of the Niagara escarpment, a planning association has been formed, and is now functioning. I was informed just tonight that there was a meeting held last night in order to work out some further details for planning in that area.

It is true, as these geographers say, that we can so plan that area that only the part which is not suitable for fruit land would be used for industrial or residential development.

There is also the question of extending the services throughout the whole region.

In fact, persons from that area have visited me suggesting that they should have some kind of amalgamation or annexation in the area around Grimsby out in the township. What they are getting at is this, they pointed out to me that they already see the results of the seaway coming. They know that their area is a vital part in what we call the golden horseshoe, stretching from Oshawa right around to Niagara-on-the-Lake. These people say: "We want to be part of this vast development." They are willing to co-operate in a planning way.

But, as the hon. Minister has said, who are we to say to a small or big farmer: "We are going to zone you in such a way that your land can only be used for certain defined purposes"? If we do that, that farmer can well say: "Well, if you are taking my land out of the market and I cannot sell it, who is going to compensate me for my loss, because my next door neighbour just recently said he was offered \$5,000 an acre for his land for industrial or residential development."

There is the problem, and it is my feeling that this government does not want to say to a certain group of people: "You are going to be zoned for certain purposes only", because as I say, they will come back to us and say: "You are putting us out of business, now we want to be compensated." That is a very difficult question, and if my hon. friend from Wentworth East has a solution, or part of a solution, I know I for one, coming from that area, would be just as glad as he to have some idea as to how it might be solved.

Mr. Gisborn: Mr. Chairman, I can agree with the hon. Minister of Planning and Development and the hon. Minister of Municipal Affairs to the extent of encroachment on these properties and telling the owners what they must do with it. But I think we can do something. I think that if we do develop the area for park purposes—provincial parks—that it would be very suitable for maintaining as a green belt. Certainly one could not find a more suitable area in the province of Ontario for a scenic driveway. We have the lakeshore and could develop one of the grandest lakeside resorts for as many miles as we wished. The resort could be brought back as far as the highway, which would encourage the tourists to stop there and spend a little money, instead of going on up to the north if they did not want to go so far.

Although I agree we cannot tell the farmer what he has to do, certainly the government could do something to develop parks or lakeside resorts in that area, and that would keep industry in its proper place.

I think it is going to be a sorry day for this end of the province if industry does encroach completely in the peninsula. It is all right to talk about the golden horseshoe and that sort of thing, and the fact that it is a grand spot for industry to settle in. Certainly it is the grandest spot in the province for them to settle, they have water there and they have access to the rails and everything like that.

But it is about time we gave some consideration to at least keeping a portion of the province where one can drive from the city and have 5 or 10 miles of scenery before he reaches another city.

Hon. Mr. Frost: If I recall, within a short distance of the hon. member, he has 35 miles of parks. More than that he has the finest park in America right now, in the Niagara parks system. Does he want to turn all that land into parks? Ask some of those people down there what they think about it.

Mr. Gisborn: I would not spoil the beauty of the Niagara parks commission by the encroachment on the peninsula itself.

Hon. C. Daley (Minister of Labour): Mr. Chairman, that happens to be my riding—a large part of it over near Lincoln which extends from the Niagara river up west of Grimsby, and I think I know the situation over there. I think I know the people. I have attended many meetings, some of them sponsored by The Department of Planning and Development, where the farmers got together and discussed the preservation of this area for the growing of fresh fruits.

It is a rapidly growing area. The township of Grantham, which is a part of my riding, a few years ago had 6,000 people in it. Today there are 36,000. It is a fact that some of it has always been considered valuable peach land, or fresh fruit land. It has not been used up for industry and residential purposes. But there is still a lot of vacant land over there that would grow peaches, if the peaches were required. But if hon. members will recall, every year for the last several years they have seen pictures in the paper where they are dumping surplus peaches, thousands of baskets of them. Last year, tremendous quantities of peaches were thrown away.

Now, is the Niagara peninsula the only place where peaches will grow in this country? No, there are great areas along the lake far up the Windsor way that grow fruit.

Mr. Gisborn: That is only one excuse for dropping the subject, is it not?

Hon. Mr. Daley: I would say that the people who own that land, over there, own it just as much as other people own their land, and it would be nonsense for any government to go in there and say: "You cannot sell your land because we want you to grow peaches on it. It has grown peaches for 100 years, and you are going to continue to grow peaches."

I certainly would not want to be a part of that government. If this land is wanted for some particular purpose, then the buyer must be prepared to buy it at the going market price. That area, because of its geographical location and fine transportation systems, will no doubt grow industrially to a great extent. We cannot stop that, we cannot stop progress.

If my thinking about democracy means what I think it does, we are certainly not going to go in and take people's land away

from them. That is my opinion and I think the opinion of the people over there. Progress will come to the land. Look at the lovely vegetable land along the Queen Elizabeth Way. There used to be excellent fields of vegetables growing there. It is all gone. They grow the vegetables some place else, and they can grow peaches somewhere else, and there will still be, 25 years from now, plenty of peaches grown in that district, in spite of what I consider to be almost assured—great industrial progress in the area.

Mr. Gisborn: Just one final word, I do not think it is just a question of preserving the peach growing lands.

An hon. member: Does the hon. member own any of that peach land?

Mr. Gisborn: I think the problem, Mr. Chairman, is much broader than just worrying about the peach trees; it is a much broader question and I think the government should—

Hon. Mr. Frost: Well what is the question? Let us hear it. Does he want us to turn it all into a park, is that it?

Mr. Gisborn: I believe a great majority of it could be turned into provincial parks and preserved for resorts.

Hon. Mr. Frost: What about that one? Why does the hon. member not let us mind our own business and—

Mr. Gisborn: What other lakeside resorts are in that area of the country?

Hon. Mr. Frost: There is a nice lakeside resort at Burlington.

Hon. Mr. Nickle: Let me just say a word to my hon. friend. We have in that area the Niagara regional development association. Now there are several of those development associations scattered across the length and breadth of this province, and the association is made up of men from all walks of life and all political philosophies.

" We meet with those people—some of my departmental representatives meet with them at least once a month, and we are discussing these people who live in that area, some of whom own the land and who we think have a proper approach to this subject. They do not agree that it should all be parks.

Mr. J. J. Wintermeyer (Waterloo North): I am inclined to agree with the hon. Minister of Labour. I do not think we can tell people what to do with their land. Also, we have very little control of the use individuals will make of land after they have acquired it.

On the other hand it seems to me obvious that this area is going to become industrialized more and more as time goes by, I would think that is quite obvious.

My question is this, what are we doing about planning some other areas of less economic value than that particular land to substitute as a fruit belt, for the future? There are certain less economic areas of Ontario at the present time that could be developed into fruit growing belts for the future at relatively little money.

I am much concerned that, 25 years from now, we will suddenly find ourselves in a position where that area is industrial and is used as such, and we will have no other suitable area to which we can turn, after all there are only a limited number of geographic locations and climatic areas in Ontario that lend themselves to growing fruit, and it seems to me that with a minimum of interference of property rights, we can accomplish our basic objectives. That is the substitution of other areas for what must inevitably be the disappearance of this area as a fruit growing belt.

Mr. J. F. Edwards (Perth): Does the hon. member want all the industry in Kitchener?

Mr. Wintermeyer: Well the hon. member wanted it in Perth the other day.

Mr. Edwards: Well, sure I do.

Mr. Wintermeyer: Well, let him not be so silly.

Mr. Edwards: Well my hon. friend is being silly now.

Mr. Wintermeyer: The hon. Minister must be concerned about this problem. I am sure he is, and I know it is a difficult problem and I am not here to criticize him personally. But I think that, as a government, we have to think about this. Are there any areas in Ontario that would be developed economically as substitutional fruit growing belts?

Hon. J. N. Allan (Minister of Highways): I am afraid the hon. member for Waterloo North was not listening to me this afternoon, when I told him about the lovely garden area in Norfolk county. It is still there, he should come over and see it, and watch our peaches growing there.

Mr. Wintermeyer: Just protect it so they do not bring their industry into—

Hon. Mr. Frost: There the hon. member is—

Mr. W. Murdoch (Essex South): I think we should discount the theory—and it is only a theory—that if the Niagara fruit lands disappear we will be short of peaches in this part of Ontario. I think we should discount it entirely.

I am a farmer coming from the county of Essex. I know, for instance, that with the irrigation that will possibly come about by the introduction of the pipe line and lots of water in Essex county we can double the peach production in Essex county any time. There is all kinds of land all around the north shore of Lake Erie from Essex county to the Niagara peninsula which can be used for growing peaches. There are also fine areas around Sarnia which can be used for growing peaches.

Mr. Wintermeyer: We should start protecting that land.

Mr. Murdoch: Let me point out that our scientists and agriculturists are always developing different varieties of peaches. Our scientists are also bringing out different and better types of fertilizers. I would like to point out that at one time Essex county was the only county that could grow and mature corn. The scientists bred hybrid corn with the result that today it can be matured almost anywhere in Ontario.

The same is true of tobacco. At one time, Essex county and part of Kent county were the only parts of Ontario that grew tobacco, but our scientists shortened the ripening period for tobacco by breeding, and now we grow it in many places.

So let us not think that our scientists and agriculturists are standing still. When the need arises they come through, and we do not have to worry about peaches in the province of Ontario.

Mr. W. H. Collings (Beaches): The hon. member has forgotten the grapes that are grown.

Mr. A. J. Reaume (Essex North): If we are going to start worrying about trees—peach trees or any other kinds of trees—when industry is talking of expanding, I can agree with those who say that this area is a fine place for industrial plants and if we are going to let a few trees stand in the way I think the whole argument is foolish. My hon. friend from Essex South represents I think one of the finest areas in the whole of the province. I do not think that there is a finer peach grown any place than right in that area.

I just want to announce that if we could obtain the plants or industries in Windsor and the area around it by doing away with a few trees, why then certainly we will get the axe out in a hurry and get those trees out of the way.

Mr. P. Manley (Stormont): Mr. Chairman, since we got the peaches out of the way, I was wondering if the hon. Minister could give us a review of the board of review—something that has been discussed at some length in this House on other occasions. I see there is \$1,000 allotted to that particular board, and I would like to know from him at the moment how many meetings the board had this year, how many came before it, and how many cases are pending at the present time, or if the board is active.

Hon. Mr. Nickle: I would say to the hon. member that the board of review, I prefer to think, was set up with the hon. member's enthusiastic support in the St. Lawrence valley. It was established because, when the power project and the seaway were developed, a good many people not far from the riding of the hon. member were dislocated, and had to move into new townsites and new areas. We had to have new homes and schools, shopping centres, and roads, the Canadian National Railways right-of-way had to be changed, and so on.

Now, there was at one time a rather severe apprehension, on the part of the people who were going to be moved out, as to just what the future held for them. They were given every assurance by the hon. Prime Minister and this government that they would be fairly treated.

I do not know whether the hon. member was in Morrisburg the day I was down there and they had the meeting in the town hall. I forget the name of the solicitor, but in any event it was his opinion that, in selling a farm, one should put a value on the house and driveshed, granary, pig-pen and chicken coop.

Now, with my limited experience in law in a small place, in a good place like Kingston—something like Kitchener—I always had the experience that, when one bought a farm he bought the package inside of the boundaries—that whatever was there was part of the package price.

We then set up the board of review, and Mr. Wingfelder from my department was

the chairman of the board of review. We had, as a co-ordinator in connection with the overall programme, Mr. Arthur Bunnell, to whom I referred the other day in speaking about my estimates. There were a couple of representatives from each of the municipalities on the board of review.

Some 40 cases came before the board, and what the board recommended to Hydro as the fair price to be paid was accepted by Hydro, and as far as I know there is not one case outstanding at this moment.

Mr. Oliver: Mr. Chairman, I just wanted to say something in respect to community planning, having in mind the Long Branch rifle range. For a number of years now, we have said among ourselves that if we could just get hold of the Long Branch rifle range we could really do something there, we could build a lot of houses, the city of Toronto could spread itself out there, and we would really be going places.

The way it is now, the Hydro has moved in, I understand—am I wrong in that? Are they not building a big thermo station on the Long Branch rifle range?

Hon. Mr. Frost: I thought they went to—

Hon. R. Connell (Minister without Portfolio): As far as I know, that is the part the hon. member is referring to.

Hon. Mr. Frost: But that was by an agreement with the city of Toronto, whatever was done there, or agreement with Metro.

Mr. Oliver: I think the hon. Prime Minister will find it was not an agreement with the city of Toronto either, was it?

Hon. Mr. Connell: Toronto and the Dominion government are in full accord on that.

Mr. Oliver: But was not the acreage on which the thermo station is to be built leased from the federal government? That is certainly my understanding.

But in any event, I think what could be said on this is this: That if we are to have community planning, surely there was some way of getting into that choice area for residential building, and yet we find now that the Hydro is moving in and spoiling the whole thing.

Hon. Mr. Frost: No, that is not what the municipality says. I would point out to the hon. leader of the Opposition that the Long Branch area provided one of the possibilities

to Toronto, before the creation of Metropolitan Toronto, because it was difficult to get land. Now, as a matter of fact, the city of Toronto I think had some ownership down there of the Long Branch ranges.

Mr. Oliver: They had 100 acres.

Hon. Mr. Frost: But the balance of it was owned, I think, by the federal government.

Mr. Oliver: 150 acres.

Hon. Mr. Frost: And at that time, when the city of Toronto was casting around in despair for some place to go for housing, they said: "Here, we own this 100 acres, could we not do something down here?" With the coming into being of Metropolitan Toronto, that picture entirely changed.

My own judgment is this, and I think the judgment of those municipalities down there is, that that area is really a choice one for an industrial development. There is land now in the great area of the 13 municipalities of Metropolitan Toronto, there is an area now for building on, that was not there in those times, and I think that the consideration that he refers to has disappeared.

I can very well remember discussing that with Mr. McCallum, when he was mayor of Toronto, and others. The city of Toronto had literally no place to go, and people were living in garrets, and they looked at that 100 acres and asked if we could do anything about it. Now, that was one of the things which led to the creation of Metropolitan Toronto, but I do not think that consideration applies today at all.

Mr. Reaume: Mr. Chairman, I would like to ask a question. Up in our area, there is an island known as Peach Island, and I understand that a group of builders had approved it for building houses on the island. It was purchased for the purpose of building houses.

Now it is the only island in the area and there had been some talk of making a park out of it, and I think that the province was approached of course and turned the offer down.

But the question I want to ask is this: Has the department of the hon. Minister any hand in the okaying of any plans to build houses on the island? If so, why have they now changed their minds, why are they going to make an amusement park out of the island, and keep it in the hands of private owners? I want to find out if they are going to build houses, if they are going to build a dance hall out on the island, or what they actually are going to have there.

Hon. Mr. Nickle: I would say to the hon. member I do not know this Peach Island. If he could give me the name of the subdivision, or the name of anybody who may have applied for a plan of subdivision, I could have it looked up—

Mr. Reaume: It is in Sandwich East, and I understand that a man by the name of Pruefer was the man who made application.

Mr. H. L. Rowntree (York West): Mr. Chairman, could I correct my understanding of what the discussion has been? The hon. leader of the Opposition was speaking about the housing project in Long Branch, and if I understand him he was referring to the so-called Long Branch rifle ranges. Is that right? Just so we will understand that, Mr. Chairman—

Mr. Reaume: Mr. Chairman, I asked a question of the hon. Minister and now the hon. member for York West is making a speech.

Mr. Rowntree: Oh, I will come back to my speech after—

Hon. Mr. Nickle: It is very difficult, as I say, to identify Peach Island without further information than the hon. member for Essex North has just given me. As I recall it, some application came in for a plan of a subdivision, then inquiries were made about the approach to the island—their sewage disposal and so on. The inquiries were not answered, and the matter is at a standstill. It was never pressed.

Now, if the hon. member would give me more details on Monday, when he comes back, I will take him down to my office and we can go over it together.

Mr. Murdoch: The information I have about that is that it was a speculative deal. It all hinged on the municipality building a bridge, which was a pretty expensive deal, and the building up of Peach Island depended on obtaining fill from Detroit coming down by barge. The whole scheme more or less folded up. It was quite a plan of capital venture, shall we say. It just did not materialize. It was a dream up to a point, and that is the way it is today.

Mr. Reaume: That is true, but the point is that when the province had the opportunity of expropriating that property for a park, they should have taken it. It is an ideal spot for a park. It was approved for building houses, and that plan stopped. Now, as I understand it, the island is going

to be turned into some kind of a dance hall affair, and this would spoil the whole arrangement.

Hon. Mr. Frost: Why did not the municipality buy it?

Mr. Reaume: Well, we were a little short of funds.

Mr. Rowntree: Mr. Chairman, just so we clear the record on this point, there was reference to the so-called Long Branch rifle ranges, I believe. That is a misnomer. Those rifle ranges which belong to the Dominion government are in the riding of Peel, and they are not located in anything to do with the metropolitan corporation, nor with York West.

Vote 1,303 agreed to.

On vote 1,304:

Mr. Thomas: Mr. Chairman, on item No. 6, grants to conservation authorities, as may be approved by the Honourable Lieutenant-Governor-in-Council. How are those grants given, what is the basis?

Hon. Mr. Nickle: There are a number of conservation authorities, as we know, established in the province of Ontario—I think there are 19. Until about 12 or 18 months ago the province contributed 37.5 per cent. I use this word advisedly—it was assumed that the federal government would contribute 37.5 per cent. and the authority would put up the other 25 per cent.

Now for some reason the then federal Minister of Northern Affairs and Natural Resources (Mr. LeSage) took the position that, unless the project cost more than \$5 million the federal government would not put up a dime.

So we made a second approach to the then Minister of Northern Affairs and Natural Resources and indicated there might be some pyramiding of dams and so on in connection with the over-all project, and we promised him we could consolidate what I would call the pyramiding programme, and he said no, the federal government would only come into it in the event of a dam costing \$5 million or more.

Then the province, realizing there was not too much financial assistance coming from the federal level, jacked up our percentage to 50 per cent. and the authority pays the other 50 per cent., and that is the situation at the moment.

Mr. Thomas: Mr. Chairman, concerning the 50 per cent. to be raised by the authority, that would be raised from the municipalities in the area?

Mr. G. W. Innes (Oxford): Might I ask the hon. Minister if the present administration is a little bit more favourable to this suggestion than was the former administration? Have they made any grants towards this?

An hon. member: Ask them on March 31.

Mr. Innes: Or would they like a little more time?

Hon. Mr. Frost: Another couple of weeks and we will get those things all settled.

Mr. Oliver: They might not be so generous.
Vote 1,304 agreed to.

On vote 1,305:

Mr. R. Whicher (Bruce): Mr. Chairman, coming from a rural area, I am not too familiar with this housing branch, and I would like the hon. Minister to give us a small résumé of what he does and just what the results have been in the last year.

Hon. Mr. Nickle: In reference to the housing branch, I should tell hon. members that all land assembly projects come into force as the result of initiative taken on the municipal level. The provincial or federal governments cannot establish any housing project unless the application first comes from the municipality.

When that comes, then we make surveys, there are some borings taken in relation to the top soil and how deep it is before we get rock, and what it is going to cost for the services, so on and so forth. Then the over-all programme is submitted to The Department of Public Works in Ottawa, and that is known as the federal-provincial partnership.

Now that project has worked in a very satisfactory way between myself and the former hon. Minister of Public Works (Mr. Winters) and it has likewise gone along very smoothly with the present hon. Minister (Mr. Green), through the federal agency, Central Mortgage and Housing.

Mr. Whicher: I wonder if the hon. Minister could tell us how much money the province puts into this on a percentage basis, how much the federal government puts in, and how much—

Hon. Mr. Nickle: 25 per cent. and 75 per cent.

Mr. Whicher: That is for the land.

Hon. Mr. Nickle: Yes.

Mr. Whicher: What about the building? What about the actual building of a house?

Hon. Mr. Nickle: After the land assembly project has been established, we hold the lots for sale for two months, to be sold to any individual in the area. At the end of that time, if there are any lots left over—if builders would like then to buy a portion of what is left—we are prepared to sell them to the builder, but not them all. Now it just depends how many are left as to how many we sell and, by and large, we think we have been fair. We hold the lots for say 10 weeks, advertising them for sale. The talk in the area and the community goes around quite quickly, and in the final analysis, as far as I know, there has never been any complaint, by people who live in the area where the land assembly was established, that they were not given fair treatment by the Dominion-provincial partnership.

Mr. Whicher: Mr. Chairman, in this housing branch annual report, 1957, in one of the paragraphs it says:

at the same time the high rate of immigration is resulting in a severe pressure on the housing market, and has depleted any surplus housing that is available in the lower price bracket.

Now, my question is simply this. I understand that the department has purchased land in co-operation with the federal government. What I would like to know is what part it takes in the building of houses, and in the financing of individual units of housing in this province, if any?

Hon. Mr. Nickle: The only time we take any part in the building programme is in connection with low rental projects.

Mr. Whicher: If I wanted to buy a house, could I borrow any money from the provincial government?

Hon. Mr. Nickle: No, but the hon. member can borrow from Central Mortgage and Housing up to I think, 80 per cent. or 90 per cent.

Mr. Whicher: And in Central Mortgage and Housing, does the province put any money in it, or does it guarantee anything?

Hon. Mr. Nickle: No, but I am quite sure that in what I say now, I am going to be accused of being partisan, but on the other hand, knowing the hon. member for fairness,

he will subscribe to this point of view that the tight-money policy that the former government put in, at the federal level, nearly wrecked the housing programme in this province, several months ago.

Mr. Whicher: Being very fair, I will back up a little bit and, knowing the hon. Minister is equally fair, I am going to ask him, is it not a fact as far as building homes in the province of Ontario is concerned, that he is not doing one single thing with the exception of supplying some land? Is he going to be equally as fair?

Hon. Mr. Frost: My hon. friend might get his report and read it carefully, and then he would come back and he would have a different outlook.

Hon. Mr. Nickle: On this manual that was on hon. members' desks the other day, if they look at the last page on the bottom right-hand corner, they will see where we built 4,517 units.

Mr. Whicher: How does the department build them if it does not finance any of it? I mean, how can it claim that it built, when I cannot borrow 5 cents from the department? I mean, is it not just—

Hon. Mr. Nickle: 75 per cent. and 25 per cent.

Mr. Whicher: 75 per cent. and 25 per cent.?

Hon. Mr. Nickle: That is right.

Mr. Whicher: Well, in other words then, the hon. Minister has not built anything. All he did was supply—

Hon. Mr. Frost: I would say to my hon. friend that we entered into the second mortgage arrangement when the then federal government defaulted on their obligations. We entered into the second mortgage arrangement and we loaned some \$17 million or \$18 million and I forget how many loans there were, I think 11,000.

Then the federal government came back into the field again and, of course, we left it. It is not our business to be in the mortgage field. That is really a central government affair.

Mr. Whicher: I am glad the hon. Prime Minister has entered into this thing, because I do not want to be unfair to the hon. Minister of Planning and Development. I do not mind calling a spade a spade, and I am going to say this.

As far as building houses is concerned, in these reports the province has not done anything. It is completely fictitious. The hon. Minister has not done anything about it whatsoever, and he is trying to take claim for something which he has not done.

Now, I have a suggestion that I would like to give to the hon. Minister of Planning and Development, and it is simply this. Since he is on such friendly terms with the government in Ottawa now, I would suggest that he try to get the terms and conditions under which he can borrow money under The National Housing Act, that they be loosened to include older homes.

I realize the department is not in the business of loaning money, but nevertheless the hon. Minister has such great influence in Ottawa, may I remind him that there are thousands—

Interjection by an hon. member.

Mr. Whicher: He will not have as much some time.

Mr. Edwards: Where does the hon. member stand?

Mr. Kerr: That was the advice he got last year and he did not take it.

Mr. Whicher: The only thing I can do is look around, that is all I can say there. I would suggest this, that I can see no reason whatsoever why The National Housing Act should not cover older homes across this province and particularly in the smaller centres. There are many, many older homes that are certainly just as good as newer ones. Through the natural course of events, if I want to go and buy an older home instead of a new one, why do I have to get a mortgage through a trust company or something like that? Why cannot I get it through any government agency?

Hon. Mr. Frost: Why? What is wrong with that?

Mr. Whicher: Well, I think it would be a good idea if one could be financed through a government agency. The province is in the business of supplying homes.

Mr. A. H. Cowling (High Park): Why?

Mr. Whicher: Why? I would say this. Is not an old home in many instances just as good a financial risk as a new home?

Hon. Mr. Frost: The point is a question of building houses.

Mr. Cowling: Why get the money from the government?

Mr. Whicher: Well surely, if it is a worthwhile thing to borrow money on a new home through the government through The National Housing Act, it would be equally as good if one could get it on an older home.

Hon. Mr. Frost: The purpose of the loan is to build a house. That is the purpose, to build new housing.

Mr. Whicher: The purpose of a loan is to provide housing for our citizens.

Hon. Mr. Frost: Yes, but building them, that is right. It is not to finance all the real estate in the country.

Mr. Whicher: May I point out that across Ontario there are many thousands of older homes that get gradually run down, and if we could buy them under The National Housing Act, why it would increase the standard of old homes by a great deal.

Might I point out that there are such legislations as The Veterans Land Act, as an example, and most certainly under that Act one does not have to buy a new house.

Mr. Rowntree: How would a loan improve the standard of an old house?

Mr. Whicher: I will tell the hon. member how it would increase the standard of an old home, because too many old homes are owned by people who simply cannot afford to fix them up, and if I wanted to—

An hon. member: No bathrooms.

Mr. A. Grossman (St. Andrew): Is he talking about home improvement loans?

Mr. Whicher: There is quite a chorus over there.

Mr. Grossman: Is he talking about home improvement loans, that is—

Mr. Whicher: I am not talking about home improvement loans.

Mr. Grossman: Well, that is what he is explaining in his description—

Mr. Whicher: No, I am not. If there was not so much cackling from the other side, the hon. member could understand.

Mr. Grossman: All right, we will not pay any attention to the hon. member for Bruce. He does not know what he is talking about.

Mr. Edwards: Mr. Chairman, could I ask a question?

Mr. Whicher: No, he cannot ask a question.

An hon. member: What are we on? Are we on the federal Act, The Federal Land and Housing Act or on a provincial Act?

Mr. Whicher: We are on housing.

An hon. member: He is talking about federal matters.

Mr. Whicher: No, I am not talking about federal assistance at all.

An hon. member: He is talking about The National Housing Act.

Mr. Whicher: These people are claiming that they are building so many houses, when in reality they have not built any at all, and I will not—

Mr. Edwards: He is talking about renovating.

Mr. Whicher: Listen, the hon. member cannot even ask a question, so I do not know how he could answer one.

I am only suggesting this, that this is—

Mr. Cowling: Would the hon. member permit a question, another question?

Mr. Whicher: Just one question. Yes.

Mr. Cowling: I know that the hon. member for Bruce is a great believer in the free enterprise way of doing business, the same as I am.

Mr. Reaume: That is a speech. That is not a question.

Mr. Cowling: I will get around to it now, my shower room friend. Let him not go away, just stick around.

Now, would he say that, when it is an easy thing—please do not go home, stay around till tomorrow. My question is this. He can go to the bank today and he can go to mortgage companies, and he can go to loan companies and get loans to improve an older home. I live in an older home.

Now what right would the government have to go into the loan business in competition with these people who are in private business? That is my question to the hon. member for Bruce.

Mr. Whicher: Mr. Chairman, I am not suggesting that the government should go into the loan business. I am only suggesting this—

An hon. member: That is what he said.

Mr. Whicher: No, I beg your pardon. If I did, I am sorry.

Hon. Mr. Frost: We are in it now.

Mr. Whicher: What I suggested is this, that it is not possible for a citizen of this country to go and get a loan under The National Housing Act to buy an old home the same way as he can buy a new one. I say that he should be able to.

Now, I am not suggesting that one cannot go to the bank and loan companies and various financial institutions such as that and fix up older homes today.

But I am suggesting this, that if I wanted to buy a home, there are many, many people, myself included, who would just as soon buy an old one as build a new one. Therefore, I say if this province is to give housing to the citizens of the country, and if I happen to prefer an older home, I should have the right to go and buy it, and inasmuch as The National Housing Act is helping out those people who build new homes, it should be made so that one could buy an old one.

Mr. Cowling: It is a federal Act.

Mr. Whicher: I know it is a federal Act, and I agreed with that when I started. But what I was suggesting was this, that inasmuch as the hon. Minister and the hon. Prime Minister have so much to say as far as Ottawa is concerned these days, they should try to give this suggestion to the people down there.

Hon. Mr. Frost: Might I ask my hon. friend why he did not get that done during the last 22 years?

Mr. Whicher: Twenty-two years ago, I was a little young to start on that.

Hon. Mr. Frost: Well, he has been sitting around here for 3 or 4 years.

Mr. Whicher: There are a few people around here too old to start it, I will tell the hon. Prime Minister that much.

An hon. member: Let us find out.

Mr. Whicher: Now, I do not want to take a lot of time about this. I just want to point out this fact, that under The Veterans Land Act, old homes are quite permissible, and it has been one of the fairest bits of legislation that ever has gone through in Ottawa. I would suggest that this would be equally as good legislation and a benefit to the people if it were passed through.

Mr. Thomas: Mr. Chairman—

Hon. Mr. Frost: Is the hon. member for Oshawa in favour of loaning on old houses? Is he thinking about that proposition?

Mr. Thomas: Mr. Chairman, let us get down to the business of the evening. With the increasing population, from the cradle and by immigration, I do not think that anyone can deny the need for low rental homes in Canada today.

When the hon. Prime Minister announced his great programme in 1951, I had a great deal of confidence, at that time, that he would get somewhere, but since that time, I am disappointed.

Mr. Whicher: Everyone else is too.

Mr. Thomas: Now here are the headlines—an announcement by the hon. Prime Minister:

PLANNED 2,000 UNIT HOUSING ON LONG BRANCH RANGE

On June 12, 1951, 5 months before the election in November, 1951—

Hon. Mr. Frost: It was not on June 12, it was on June 11, 1951. I want the hon. member to be correct there.

Mr. Thomas: June 12 down here. Well anyway it was on June 12, 1951, Mr. Chairman, just 5 months before the election on November, 1951, and I quote:

Some 25,000 new homes for rental to people of moderate means may be built in Ontario as a result of the new Ontario-federal government deal, announced by Prime Minister Frost last night.

In the initial stages of the plan, Toronto could expect to get 2,000 homes.

Here is another item, at the time the hon. Prime Minister I think was speaking in London to the mayors and reeves association.

Prime Minister Frost said it was hoped that the houses of two and three bedrooms could be built for a maximum cost of \$9,000 and be rented at a rate of \$50 to \$60 per month.

So we had great hopes, at that time, that we would get some houses built in Ontario, and at the start of the session the hon. member for York South (Mr. MacDonald) put a question on the order paper asking how many homes had been constructed under this plan since 1951.

Hon. Mr. Frost: Would the hon. member read the question?

Mr. Thomas: Yes, wait a minute. The hon. member for York South inquired of the Ministry:

1. How many low rental housing units have been completed on the 25,000 objective announced by Prime Minister Frost in London June 12, 1951?

Hon. Mr. Frost: Would the hon. member read the answer now?

Mr. Thomas: Yes, sure. It was answered by the hon. Minister of Planning and Development:

Number of rental housing units completed and occupied since 1951, were 2,623 in 38 projects.

Hon. Mr. Frost: Read on.

Mr. Thomas: Now that is the number completed and occupied in 7 years. The answer goes on:

Number of rental housing units under construction 1,804 in 10 projects; 215 in one project approved but awaiting construction; approximate number of rental housing units under negotiation, 1,082 in 15 projects estimated the total number of units.

Now some of them are not even built. It says the number of units totals 5,724, but the fact is this, Mr. Chairman, that this government has been instrumental in 7 years in building only 2,623 homes.

I am quite sure that the hon. Prime Minister, not so much the hon. Minister of Planning and Development because he has not been in that position too long, but I am quite sure the hon. Prime Minister must be very, very disappointed with that record.

Hon. Mr. Frost: No, I would say that I am not disappointed. This is what happened back in 1951. The great problem really was here in Metropolitan Toronto, and I would say we talked of 2,000 houses in this area.

We attempted to do that, and I would say it was impossible for the city of Toronto, despite their good professions and their desires to do it. That brought about Metropolitan Toronto and the construction of thousands of houses, in this area. There is really no shortage of housing right now in Metropolitan Toronto, with due respect to my good hon. friend from across the way here, who knows about building and so on.

Mr. Thomas: Oh, there is a shortage of low rental housing, for the lower income group of people. There is a shortage of housing.

Hon. Mr. Frost: Let me give my hon. friend this, here was the proposal. I have here the speech, it was a real good speech that I made on that occasion. Here was the problem, here is the composition. The financing of the houses will be on the basis of the federal and provincial government advancing 92.5 per cent. and the municipalities 7.5 per cent. But remember, it was dependent upon the municipalities coming into the deal and financing 7.5 per cent.

Mr. Thomas: Plus the servicing of the land?

Hon. Mr. Frost: No, no, that was all taken in, that was all in the deal. The municipal contribution is arrived at as being roughly the cost of the services which will be the project cost. Roughly, their service costs were estimated at the time to be 7.5 per cent. The agreement said:

The municipalities will therefore be partners in the scheme in each area for cost, profits and losses to the extent of 7.5 per cent. and the management will be through the local housing authorities above referred to.

I am familiar with the way that works out. For instance, if we take the town of Lindsay, their housing authority was set up in agreement between the federal, provincial and municipal governments, a small housing authority which is not paid by the way, and then if they wanted the houses erected they financed it to the extent of 7.5 per cent. and the other partnership advanced 92.5 per cent. and paid 92.5 per cent. of the losses, and of course got 92.5 per cent. of the profits, that was the deal.

That was a very generous deal. I think my hon. friend will agree that there could not be a more generous deal with the municipalities than that.

The municipalities, through their actions, have indicated a lack of interest in the scheme for this reason, that other housing is being built in very large quantities.

Now, take this city. If we go back 5 years to the time of the introduction of the Metropolitan Toronto bill which I would say was opposed by all those hon. gentlemen opposite—well, I would agree that my hon. friend from Oshawa supported it—but all of those others

around him opposed that great plan for the betterment of this community.

At that time in Toronto, we had this problem, we had people living in Toronto with no possibility of any place to go, because if they went to the outskirts they could not get sewage, they could not get the necessary municipal services. People were living in garrets in this community—the poorer people were actually living in garrets and places that were not fit for human beings.

With the setting up of Metropolitan Toronto, tens of thousands of houses were erected in this area. I suppose that no area in Canada in the last 5 years built the number of houses that were built in this area, and certainly there is no area in Canada comparable with that area which stretches from that fine community of Oshawa right around to the Niagara river, in the building of houses.

This is why the municipalities did not take up the rental housing plan to any great extent, and I must admit I agree with them. With the building of new houses, the older accommodation became available at comparatively low rentals, and today those crowded conditions of 5 years ago have been pretty well eliminated, with the result that the older accommodation which before housed people who have since moved is now available for low rental housing, so that none of the municipalities are running wild about getting into a subsidized class of building.

That has happened right across this province. I could name a municipality that we were a bit interested in the other day. I think there were some 40 serviced lots that had not been used in that community. The proposal was made to the municipality that we should erect houses—I mean moderate rental, I am not talking about low rental housing, but I am talking about moderate rental housing, which would be low rental housing in the terms of what we are talking about here tonight.

That municipality made a survey and said to us that they would prefer not to erect the houses because they were not needed. A very short time ago that municipality was short of houses.

What this was directed at disappeared because of other reasons. It would be a very foolish thing for a municipality to build unneeded housing. This plan was an option for them—if they wanted to subsidize, then we would go along with them, and their liability was only 7.5 per cent. The fact that there were comparatively few houses built—of course, 5,700 houses is a considerable number after all—but over 7 or 8 years, 5,700 houses, in view of

the tens of thousands of houses erected in this province, is a very small thing.

Now, why did not the municipalities go into this? It was because the pressures were relieved, and they did not have to do it, and they did not do it and I agree with them. I think it was very wise that they did not.

Mr. Thomas: But the hon. Prime Minister realizes he did not build 5,700 houses.

Mr. Cowling: On that point of the hon. Prime Minister and that point that the hon. member raised, I would like to support what the hon. Prime Minister said because I happened to be on the Toronto council in 1950. I am going to get around to the hon. member in just a minute—

Mr. Thomas: I thought he just supported me.

Mr. Cowling: —and I was thoroughly familiar with the Toronto situation, and what the hon. Prime Minister said is absolutely true. The situation was not good, but I do feel this, that the results of the speech he made in London in June of 1951 must have been very satisfactory to all the municipalities and particularly the voters of the province of Ontario, because my hon. friend must recall that in June, 1951, the party he supports had about 36 members in this House.

Mr. Thomas: No, 21.

Mr. Cowling: Twenty-one in 1951. Well, in November of 1951, and I well remember the date because it was my privilege to be elected at that time, the party he supports wound up with two members. Now let him wait until I finish—so I think that is a pretty good indication that the people generally must have been very satisfied with the hon. Prime Minister's speech. I think that is enough said.

Mr. Thomas: That is because the electorate believed the hon. Prime Minister, but since that time they are disappointed.

Hon. Mr. Frost: Let me continue the story that in 1955 there was another election, and in the meantime may I point out to my hon. friends opposite that we had introduced the Metropolitan Toronto bill, and the group opposite opposed it. I would say to my hon. friend that every member of the Opposition group who opposed the bill was defeated in 1955, and in this whole great metropolitan area there was only one Opposition member elected.

Mr. Wintermeyer: If we accept the hon. Prime Minister's philosophy, I presume it would be fair to infer that he feels the provincial government had some responsibility. Now specifically I am not prepared to define it as such.

What does the hon. Prime Minister think of the many suggestions that have been made, that one of the disturbing things about housing development is the increased cost of serviced land? I believe many representations have been made upon the government to do something about relieving the municipalities of the investments required in land for the purpose of bringing it to that stage where housing developments can be undertaken. Does the hon. Prime Minister feel that the provincial government should or can bear any responsibility in this respect?

Hon. Mr. Frost: What does the hon. member mean by responsibility?

Mr. Wintermeyer: Many representations, I believe, have been made to the hon. Prime Minister. I had one, the urban development institute of Ontario. That brief was circulated here, but I do not think that is the first by any means wherein they conclude that one of the disturbing things about housing development in Ontario at the present time is the fact that land values have increased, so that actually they are out of proportion of the total value of the land and residence. That increase is not due to any monetary inflation or any increase in the value of the land, but basically it is due to the fact that, in many municipalities, the entire service of the area is required to be paid in one lump sum.

Hon. Mr. Frost: I think that is a point, I must admit there is some reason in that argument. I think myself that sometimes we set up too high standards from a planning standpoint—now I am not talking about The Department of Planning and Development, but I am talking about the idealistic approaches we make to things—and when I say we, I do not mean the government, I mean society as a whole.

Our standards are, in many ways, much too high, and we are insisting on the installation of various services to residential land which people might well do without at the time, and the matter might be brought along over a period of say 5 years or so and reduce the cost.

Now that is the point of some of those arguments, and I think there is a good deal of sense to them too.

Vote 1,305 agreed to.

On vote 1,306:

Mr. Oliver: On vote 1,306, I want to give the hon. Minister full scope. Can he tell me what this institution does with its \$230,000?

Hon. Mr. Frost: A great deal.

Mr. Oliver: Well, I want to hear it. I think it would be good if we heard all the story in some detail, because it needs some elaboration.

Hon. Mr. Nickle: Well, I would say to my hon. friend, the leader of the Opposition, I think it was in 1956 I was in London, and I spent a day or two at Ontario House. In my opinion, they operate one of the very best public service relation bureaux not only as far as Ontario is concerned but as far as Canada is concerned.

Now, other provinces have their agencies in London. In my view, having been there, the agent general for Ontario, with his director of trade and industry and his director of immigration, plays a most important part in relation to two things that concern my department of government vitally. One is in getting new industries from the United Kingdom, and the other is in getting the type of immigrants from the United Kingdom who can best be absorbed in the economy of this province.

Now, I think my hon. friend will go along with this comment that if we are bringing people to a new land, it is well that they be instructed and told, when they leave their homeland, what to expect in regard to the type of weather and conditions, what they are going to need for clothing during the winter, and so on. There should be some decision as to whether they are going into the townsites area, the rural part of the country, or into the urban centres. It is one of my points of view that it is not sound to adopt a policy of being penny-wise and pound foolish. Every other province has their agency there. As far as Canada House is concerned, they take the position that they represent the 10 provinces, and they do not play favourites. Now I think that it is a sound investment to have our people go to the continent, visit the German Minister of Trade and Commerce, go to the Hague, interview the Minister for Trade and Commerce of Holland, and so on.

The reports that we get from Ontario House give us information that helps us very much in dealing with the councils here in Toronto who represent France, Norway, Sweden, Holland and Belgium.

I think that perhaps the hon. leader of the Opposition will go along with the view that,

if we have nobody in London to go to the plants in England; visit the office of the president of the British Board of Trade who is a member of the British Cabinet; go up to Scotland and visit the industrialists there; and to Wales and to Ireland and the continent, it is bad business unless we have a good public relations service, taking with them the latest pamphlets from every department of government to give information to the potential capitalists who are interested in investing in this country. If we were not to have that agency, in my opinion, for what it is worth, it would be bad business. Without reservation, having been there and having been with the agent general on the continent and in Scotland, and having met the people that he knew and introduced me to, and appreciating what they knew about this province through the Ontario House agency, without any reservation whatsoever, I say that is money well spent.

Mr. Oliver: Well, I am almost persuaded.

Hon. Mr. Nickle: I think that I had better stop there then.

Mr. Oliver: I would just like to say this to my hon. friend, that I remember when he was speaking the other day, he extolled the part that the Ontario House played in relation to the trade mission when it was overseas.

Hon. Mr. Nickle: I repeat that.

Mr. Oliver: Would the hon. Minister tell us what they did in that connection? Then, I think, we could let him have his vote.

Hon. Mr. Nickle: I mean to say that in giving the hon. leader of the Opposition information I much prefer to delay the vote, if I must put it that way, for it is a pleasure to have these little formal chats.

When the Canadian trade commission, headed by the hon. Mr. Churchill and with the vice-chairman of Hydro, Mr. Duncan, went to the United Kingdom, by and large the itinerary was to a very large extent prepared, arranged and carried out as a result of good public relations with the people whom the agent general, director of trade and industries and the director of immigration in Ontario House knew.

Mr. Nixon: Rt. hon. Mr. Drew has the responsibility for that work.

Hon. Mr. Frost: Oh, he has not been there very long.

Mr. Nixon: I do not think that Rt. hon. Mr. Drew will appreciate what my hon. friend has just said. Mr. Duncan in his famous

speech mentioned in particular the services he got from his excellency Mr. Drew.

Hon. Mr. Nickle: I am not taking credit away from his excellency Mr. Drew. Do not misunderstand me, but I am giving further credit where, in my opinion, credit is due, and I think that that is a fair point of view.

Vote 1,306 agreed to.

On vote 1,307:

Mr. Gisborn: I would like to ask a question. I do not know whether I am in the right place or not, but it is in regards to the joint international waterways commission in the province of Ontario.

Is there a policy or agreement between this commission and the government in regards to the water levels situation when damages arise out of high water levels?

Hon. Mr. Frost: I would say, Mr. Chairman, that actually the control of the lake levels is a matter between Canada and the United States. We have not the fixing of the levels. As a matter of fact, the provincial interest was very probably one of keeping the level high, for the reason that we got more power at the dam or on the St. Lawrence river. I forget the exact number of feet, but the joint international waterways commission, after hearing all of the evidence, fixed the amount at a certain level. Now, it was somewhat below the level that Hydro had asked for. I forget, but I think it might have been a matter of a foot or two less than Hydro asked for. But nevertheless the international body have the jurisdiction, and they did not consult us or Hydro on it, beyond hearing what the representations would be. They fixed the level, and that is now the level at which the water will be controlled.

There are conflicting interests—the power interest, perhaps, want it at a higher level, from the standpoint of getting the full utility of the fully-developed dam on the St. Lawrence river.

But, on the other hand, there are other interests. Property owners are another. I should think that property owners and others on the Great Lakes, or on the St. Lawrence river, and rivers around Lake Ontario, ought to be quite satisfied. Generally speaking, the level that has been set must be a pretty satisfactory one.

Mr. Gisborn: I would agree, Mr. Chairman, that if the level is maintained at 248 feet—between 244 and 246 or 248 or whatever it may be—we may not have a problem.

But I am quite sure that there is no set decision that it can be held at 248 feet.

I think that the concern of the people on Lake Ontario is that, if it is not kept at 248 feet and there is a higher level, and it does cause property damage, there is no way of telling what the damage would be unless there was a survey to establish some yardstick at the present time. I think that it should be determined by a survey at the present time.

Hon. Mr. Frost: May I point out to my hon. friend that the water levels have been much higher than the 248 feet which was set by the international waterways commission, the levels have been much higher than that.

Mr. Gisborn: Well, they set their levels on the 249 point something and 240 something, and they have agreed that when we had 248 feet in 1954 it was just a normal storm. Considerable damage was done.

Hon. Mr. Frost: Well, I mean if it is maintained at 248 feet there could not be any damage.

Mr. Gisborn: Mr. Chairman, on vote 1,307, is this for the maintenance of old Fort Henry, or is this going to help with a little face lifting, or what is this \$210,000 exactly for?

Hon. Mr. Nickle: Well, as my hon. friend knows, Old Fort Henry for a great number of years was under the jurisdiction of The Department of Highways and we took over Fort Henry as part of the St. Lawrence development commission.

The other day, we referred to the terms of that Act that I spoke about in the House, and which all hon. members know about.

If any hon. members have not yet visited that very fine historic spot, I hope that they do so during the summer months, and see the very outstanding Fort Henry Guard which is certainly something to see.

There was a certain amount of equipment and so on that The Department of Highways had purchased, and we are taking that over from them. If they do not want to charge us for it, then perhaps we can reduce our estimates. But, on the other hand, in case we are asked we will have to have the money.

In a fort as old as that, I will say it was built about the year of 1837, there is a lot of pointing falling out from between the stone work. The old lift bridges are not what they used to be, and are continually having to be repaired. Painting has to be done.

By and large, this tourist attraction has to be maintained, in the future, in the high level efficiency that it has been in the past years, so we are going to need that money.

On the other hand, I say that when we get the financing of this matter on a basis advocated by my chief accountant who sits here in front of me, it may be that from the charges at the gate which the tourists pay, we may be able to get sufficient money back that we will revise that estimate another year.

At the moment, I just do not know where we stand, but I have to be in a position to carry on during this coming season.

Mr. Nixon: What is the charge? Is anything sold there?

Hon. Mr. Nickle: Yes, sir. Toy soldiers, toy guns, they are not loaded.

Mr. Nixon: What is the charge for entry?

Hon. Mr. Nickle: Twenty-five cents.

Vote 1,307 agreed to.

On vote 1,308:

Mr. J. Spence (Kent East): Mr. Chairman, I would like to ask the hon. Minister a question with regard to industries coming into the province last year. We have a lot of towns and villages that would like to get an industry, and I was just wondering if the hon. Minister could tell us how many industries came into the province, and how many industries settled in the rural areas in 1957?

Hon. Mr. Nickle: I thought my hon. friend would never put me in a position that he would ask me to play favourites, because as far as my department is concerned, in relation to any new industry that wants to establish in the province, we furnish to them as best we can, sir, all information that we have from every municipality across the length and breadth of the province.

Now, my suggestion to him would be this, that having asked this question and having received the information, when this House prorogues, that he go back to his riding, get his chamber of commerce together, have them prepare a brochure—if he needs any help, let me know—and I will give him what assistance I can, so that his area can be considered on the same fair, equitable basis as any other municipality in this province.

Mr. Spence: I thank the hon. Minister.

Mr. Wintermeyer: May I ask the hon. Minister where, by and large, the inquiries are coming from? I notice there is a Chicago

branch, and a New York branch. How do these compare with the European branch? Is he receiving more inquiries from American concerns than he is from continental concerns?

Hon. Mr. Nickle: Is the hon. member talking about inquiries?

Mr. Wintermeyer: Yes, maybe my question was not quite specific. By and large the hon. Minister receives inquiries. Now I would presume that the big bulk of those inquiries would be inquiries from persons residing outside of Ontario. How do they divide themselves?

Hon. Mr. Nickle: They come from the United Kingdom and from the 6 states that border the boundary of the province of Ontario.

The New York office was established, the Chicago office was established, and we have given the bankers, the trust companies, and the loan corporations over there, all information that we think is worthwhile, to encourage people from that republic to invest their money in this country.

We have indicated that we think it is the part of wisdom that, if they are going to invest their money in our country, they should employ our people, and that a fair number of the personnel on the executive staff should be Canadian, and what is more, if they invest in this country and their shares go on the market, they should be available to the Canadian investor.

We also get inquiries, as I indicated a moment ago, from Holland, Germany, France, Scotland and England.

Hon. members will not like this I know, but upon my soul it is the truth that, if there was a little less nonsense of people talking about the state of this country and making people who do not live within our borders apprehensive about our economic stability, we would be doing better than we are.

Mr. Wintermeyer: Specifically, what I would like to know is this, does the department keep a record of the inquiries, for example?

Hon. Mr. Nickle: Yes, but—

Mr. Wintermeyer: The hon. Minister probably would not have that here.

Hon. Mr. Nickle: No.

Mr. Wintermeyer: Well, how about the number of industries that have come from outside of Ontario into Ontario, in the course of the last year, how many such have there been?

Hon. Mr. Nickle: 115.

Mr. Wintermeyer: Of that 115, how many came from the United States, how many came from the United Kingdom, and how many from the continent?

Hon. Mr. Nickle: Well, the best information I have is that during last year there were 115 new industries established in this province, 61 Canadian, 46 from the United States, 5 from the United Kingdom, and 3 from Germany, and that in no way represents the additions or extensions that were built to existing industries.

Mr. Wintermeyer: I think that is an excellent record. It just demonstrates the fact that our industrial expansion—at least in terms of new industries—comes from this continent. He said there were 45 from the United States, I believe, and 61 from Canada.

Does he think he is doing enough to encourage American industry coming here? What is he doing in Chicago and New York? Frankly, I do not specifically know, but in fairness to my question, I would say that there is some thinking that the banks are doing more than the department. I have heard of two or three people who have made efforts to gain knowledge of industries that might be interested in coming, or in terms of financing industries that are here, who found that their real help was in the branch banks of our own banks in cities like Chicago and New York. Now specifically, what does the department do in those cities to assist in this respect?

Hon. Mr. Nickle: Well now, the hon. member knows just as well as I do that every chartered bank having a branch in this province sends over, not only to the United Kingdom but to the continent and to the United States their very best trained economists and salesmen, with a view of indicating their desire to lend the potential investor money, so they will not have to arrange for the exporting of the currency of the country where the people come from, so they will have it here in their bank account.

The banks are very interested in doing all they can to get the industries, but they want the bank accounts too.

Mr. Wintermeyer: That is right, no question about that.

Hon. Mr. Nickle: It would be utterly wrong, I think, if we were to say that this chartered bank or that chartered bank was preferable to the other. I think we would

probably be in hot water and trouble. All we say is that there are so many chartered banks, and if they want to inquire, we give the addresses of the head offices, if they want to make some inquiries here in Toronto, that is the best we can do.

Then we have something I think perhaps the banks have not got, because our people go around every year and visit all, generally speaking, the municipalities of this province.

Somebody said something the other day about the diversification of industry. Little places like Maitland are getting new industry. Maitland is a little village between Brockville and Prescott, and I think a tremendous Dupont plant has been built there.

Then there is a little place out near the village of Bath, where the United Empire Loyalists landed in the Bay of Quinte area. A tremendous plant has been built there by Canadian Industries Limited.

Those plants were established in these little places as a result of information they got from the little brochure which gave them the soil information they wanted, the type of base there was in the lake, because they wanted stone foundation as against mud for these plants, the depth of the water, the flow of the water, the temperature of the water, and those simple little bits of information gave those two little towns great industries.

Mr. Wintermeyer: Did those towns send the information to the hon. Minister or did he inquire of the towns?

Hon. Mr. Nickle: We asked every town to send us their brochures and then when the inquiry is made, I mean to say if they want fast, cold running water, well we say: "Here are all the brochures of all the areas where there is that type of water." On the other hand, they may not want such a stimulated fast flow of water, and then we give them something else.

Where I come from, we are very proud of our outcroppings of limestone because it is the limestone city. Other people might not thank us for that sort of rock, but where I come from we are proud of it.

Some people want to build their factories, their industries, on a soil foundation so that their vibration will not interfere with the walls. That sort of a factory cannot be built on a limestone foundation, and we disclose I think more than the banks will ever do the breakdown of simple, detailed information which is the greatest possible help to potential industrialists.

Mr. Wintermeyer: Does the department do anything for Ontario residents in the stimulation of information they may want about American firms?

It does not. If a person went to New York for the purpose of raising money, and went to the hon. Minister's office and said, "I want so much money to expand in Ontario, and I will require some capital assistance and probably American investment," would the hon. Minister do anything about assisting such a person?

Hon. Mr. Nickle: I would tell him all the institutions he might get money from, I would tell him the names of the trust companies if they wanted to have a first mortgage on the building as collateral to the preliminary building.

Mr. Wintermeyer: Would that serve any purpose if he did?

Hon. Mr. Nickle: One never knows what purpose is going to be served until he finds out afterwards, and this is peculiar, it is the small piece of information that so often is the most influencing.

People are interested for instance about the highways and bridges and railroads, and our highway system is interesting people, because of the freight that can now be moved by transport and truck. The hon. member knows that just as well as I do.

Mr. H. F. Fishleigh (Woodbine): Mr. Chairman, do you mind if I tell a short story about Holland?

Mr. Chairman, I have travelled to Europe and tried to get industries to come to Canada. As a matter of fact, I had an office at Sir Robert Macalpine's for a month, and I went far and wide and called and called upon various industries and I could not sell them on the idea of establishing in Canada, they were too busy in their own homeland, they had stacks and stacks of orders. All the small towns in Ontario desire industries and I do not blame them. But it is the most difficult selling job I have ever tackled. For example, I also went to Switzerland once with a group and called on the Union Swiss Bank. It took us 3 days to make an appointment and we sat in their board room and got out a map, and told them we were from Canada, and they all smiled at each other as the board of directors knew Canada.

So then we said: "We are from Ontario." They looked at each other and they smiled again, they knew Ontario.

But then, we said, "We are from Toronto," and they all looked at each other dumbfounded. "Where is Toronto?" they asked.

So we whipped out the map, and said: "There is Toronto right there," and they all smiled again. "That is Toronto."

We were kind of deflated by that time. "Well," we said, "in Toronto there is a great boom." We said it half in German, half in French, with a little English. When we said, "big boom!" they all looked at each other again, and asked: "Big boom, all go bust?"

"No, no, no," we said, "great expansion, great expansion of industry."

"Oh, oh," they answered, "why the great expansion of industry?"

Well, we were kind of nonplussed at that remark, but in reply we answered: "In northern Ontario we have the pre-Cambrian shield, and in that pre-Cambrian shield, we have almost all the nickel in the world, we have the gold and the silver and we have the pulp and the paper mills, and we have uranium mines. All this wealth comes down to Toronto," which, in fact, is true.

After that interview, we shook hands, and so on. Actually they were not as ignorant about Ontario as they appeared to be; that is one of the things they do to you over there, because one of them has a very large insurance company here doing very well and calls on his offices, but it is a difficult undertaking to sell in a foreign land.

Hon. members cannot very well criticize the amount of money spent in Ontario House, London. It is money well spent, as it is difficult to get Europeans to see our point of view. But little by little they are coming here and investing their money.

I think, as the hon. Minister said, we should not cry "wolf, wolf," because if we do we will frighten foreign capital away. They will make up their minds today or tomorrow. It is not like going to the United States where you can make a deal overnight; Europeans take weeks and months to consider what they are going to do. They investigate and they investigate and when they make an investment they want to make sure their capital is safe.

Mr. G. C. Wardrope (Port Arthur): Mr. Chairman, before you go on please, I cannot compare with my hon. friend from Woodbine who represents the great Metropolitan Toronto district with its many millions, but I want to congratulate the hon. Minister on his northwestern Ontario development association project in my city.

We have a manager there, Mr. Phillips—I will mention him by name—who is a real getter in the hon. Minister's department. Now then, they have been responsible in the last 3 years for bringing in one large British firm to our city, and I think the hon. Minister of Lands and Forests (Mr. Mapledoram) will bear me out when I say they were greatly responsible for the establishment of a plywood mill in the town of Nipigon and a plywood mill outside the town of Dryden.

These are absolutely concrete examples of what the trade and industry branch is doing, and I am not going to mention the names of departmental officials, but I have every reason to know that they are doing a tremendous job for this whole province and especially northwestern Ontario.

The biggest job outside of attracting industry is the fact that our development association manager is going to our small towns and enthusing them, making them conscious of the natural assets they have, which they should stress to direct small industries to their places.

He has enthused the chambers of commerce and the boards of trade, and made them aware that they have something in that great part of Ontario to sell.

To my mind, that is the big, big job he is doing, not alone in the 3 industries that he has attracted there already, which are giving employment to a considerable number of men, but the whole feeling throughout the district is this, that they have a central point to go, to get information on what industries may be established in their little towns, villages and how best to attract them there.

In other words, Mr. Phillips is selling northwestern Ontario and all its potentialities. So this is a branch of the department that has proved itself worthy in my mind and in the mind of my citizens up north, and I want to congratulate the hon. Minister and his staff, and to tell him that our local manager is one of the best I have seen in this province.

Now, the money that is being spent by this province is being spent well in the trade and industry branch, and I am all for it, and I think that it is going to prove in the future that we have great attraction for industries coming into this province.

Mr. Whicher: May I ask the hon. Minister how many regional industrial development associations he now has?

Hon. Mr. Nickle: Seven.

Mr. Whicher: Seven, well I would like to associate myself with the previous hon. speaker, because I think these development

associations in many instances do a good job. If they do a good job, why, I humbly suggest that the hon. Minister give them a little more money.

Now I believe that the situation as it now stands is this, that the department will give any association an amount up to only \$10,000 providing they put in the same amount, and if they put in \$20,000 the department will still only give them \$10,000.

Now I think that we have to look at this from a large area point of view. This is one way that we can assist the smaller municipalities towards a diversification of trade in this province. It gives, as the hon. member for Port Arthur has said, the manager of the association—whoever he may be with his staff—an opportunity to travel around to the small towns and villages and make them enthusiastic over this. He can advertise in papers in Europe or in the United States or wherever it might be, in order to try to sell his own place to industry.

Now, I humbly suggest to the hon. Minister that \$10,000 is not enough money. That is the one thing that holds these fellows back. They breed enthusiasm wherever they go, but after 6 months of the year have gone, they start running out of money, and they are not able to advertise in the way that they should be able to.

Now then, for many years, practically every politician, whether he is municipal, provincial or federal affairs, has been talking about the diversification of industry. This is one way that the department can accomplish it, by allowing these people in the outlying centres in the province of Ontario to have enough money, and with that money they will have the ability, because money is ability in this particular instance—at least, most of the ability. They will have the ability to go out and sell the places where they live, and bring industry, not only from Europe or the United States, but in many instances, from the larger centres in Ontario. They will be able to bring them from Metropolitan Toronto, for example, into the little hamlets and small towns and smaller cities across this province.

I said this to the hon. Minister last year. In fact there were several hon. members on his side of the House who agreed with me—that \$10,000 for each association is not enough—and I would ask that the hon. Minister review that vote and, if at all possible, attempt to persuade the government to at least double the amount.

Even if it insists that the association put up more money on a per dollar basis, it

would be better than nothing, but by all means, let them double that grant because they certainly need it, and it is a good thing for the province.

Mr. Oliver: Mr. Chairman, I remember the other day, when the hon. Minister was speaking, that he suggested that his department did not actually place industries in various localities of the province. He gave a very good reason as to why it was impossible, on the one hand, and unwise on the other, to designate where industries should go. He set his department out before the House, as I recall it, as a service department, a department that provided information to would-be customers and would-be industries.

Now I agree with that point of view. Sometimes one is inclined to wish that it could be otherwise, and that decentralization could be practiced in a cold practical way, but that, of course, is not feasible.

Now the point I want to leave with the hon. Minister, and I rather think I know him well enough that I can say now that he will agree that what I am relating is not the way he would have his department run in respect to certain matters.

Last fall I remember an industry located close to one of the towns in my riding. That industry was secured, as the hon. Minister suggested tonight, by the local organization being in contact with his department. It was a normal arrangement, so far as the working out of the activities of his department was concerned.

What amazed me about this whole thing, Mr. Chairman, was this. One day the local paper carried a very large headline, and it quoted the federal hon. member of Parliament as saying that he had been advised by the trade and industry branch of The Department of Planning and Development that such and such an industry was to be placed at such and such a spot, and giving himself the credit for getting the industry through the hon. Minister's department. No credit at all was given to the local organization.

Now I would say to the hon. Minister that I know something about political patronage, and I am quite willing to say that much of it is accepted so far as the old parties are concerned, at any rate. But it seems to me that this is going altogether too far, and I do not think the hon. Minister would want it to go that far—when a federal hon. member says, in the local paper in a bold headline, that he has been in touch with the trade and industry branch, and as a result of his being in touch with that department,

a new industry is to be established in a certain place.

Now, he had nothing whatever to do with getting the industry, nothing whatever. He was simply the mouthpiece by which it was announced.

I want to ask the hon. Minister, and quite seriously, if that is the way he gives out information as to the location of new industries in the province?

Hon. Mr. Nickle: Well, we are each saying that we know the other. May I ask the hon. leader of the Opposition—I suppose it is the game of animal, vegetable and mineral we are playing now—does he refer to the Imperial Tobacco Company at Guelph?

Mr. Oliver: No. I can tell my friends, but I do not think I will tell it across the full House. I will if the hon. Minister wants me to, but I will tell him in private.

Hon. Mr. Nickle: I will put it this way to my hon. friend. There have been cases that I know, where information was disclosed in areas where new industry was going to establish, and the inference was left as if there had been some leak from some branch of my department. But the facts, when I looked into them, as best I could, may I say, were to the effect that the industry themselves made the announcement to local people, for reasons best known to themselves.

Now I think the hon. leader of the Opposition will agree with me that if this is done, there is no criticism.

Mr. Oliver: That would be a different matter.

Hon. Mr. Frost: I guess that federal hon. member is a bright fellow. He must be.

Mr. Oliver: I will tell the hon. Prime Minister what it is, if he wants me to. We have a bright new young senator up in that area, and he really is running things. It is not the federal hon. member who is making these announcements, it is the new senator. He is quite close to this government, and he sees to it that, if he does not want to make the announcement himself, he makes it through his prodigy, the federal hon. member in that particular riding. I would think that situation should be cleared up before very long.

Hon. Mr. Frost: I never heard of such a thing.

Mr. Oliver: Oh, the hon. Prime Minister has heard of the senator, I will tell him that.

Hon. Mr. Frost: No, never heard of him.

Hon. Mr. Nickle: Will the hon. leader of the Opposition put his name on a piece of paper?

Mr. Oliver: I will.

Votes 1,308 and 1,309 agreed to.

On vote 1,310:

Mr. Whicher: Mr. Chairman, I wanted to ask the hon. Minister another question.

Hon. Mr. Frost: Those fellows are likely community leaders and they are right on the job.

Mr. Oliver: They did not know a thing about it, except what they were told. Not a blooming word of it.

An hon. member: He did not know any more about it than we know about it, as a matter of fact.

Mr. Whicher: They were just there when it happened along.

Hon. Mr. Frost: Well if the hon. members opposite know all that, why does the hon. leader of the Opposition ask the question?

Mr. Oliver: Now why does the hon. Prime Minister suppose I asked it? Now I will give the hon. Prime Minister one good—

Hon. Mr. Frost: I do not know.

Mr. Oliver: No. The hon. Prime Minister knows right well why I asked it, and I had every right to ask it.

Mr. Whicher: Mr. Chairman, I have a question I would like to ask the hon. Minister. I listened very attentively to his remarks about Ontario House in London, and to a large extent I agree with what he said. However, I cannot help but ask this question now:

The total expenses for the New York and Chicago offices are in the neighbourhood of \$60,000, and I believe 46 American firms came to Ontario through that expenditure. In Ontario House in London, the department spent \$230,000 and only 5 United Kingdom firms came to Ontario.

Does the hon. Minister not think that there is considerable difference in those figures, and perhaps we should have a little more life in England?

An hon. member: Carried.

Mr. Whicher: No, it is not carried at all.

Mr. Oliver: The hon. Minister is pondering.

Hon. Mr. Nickle: No, the Minister is not pondering very much.

Mr. Oliver: Well, why should the hon. Minister not ponder? That is not a nasty remark at all.

Mr. Nickle: No, no. I mean to say, I will put it this way to the hon. member. In Ontario House in London, we have some 35 or 36 people. The British economy has been pretty rigid. The British income tax has been pretty high, and I may say that I am still prepared to go out and do my best to get industries from the United Kingdom.

The going is rougher and harder. There is not the available money. The field is larger from the point of view of public relations on account of the continent, as I indicated a moment ago.

I am not so sure that these amounts are out of proportion because, after all, as my hon. friend well knows, there is more land in this country available for industrial expansion than in some of the congested areas in the republic to the south of us. I cannot put it any differently than that.

Mr. Whicher: Mr. Chairman, one other question that I have. I quite agree with some of the hon. members who have said that in order to get industry, we must stop crying "wolf" and we must be critical of our own country and attempt to sell it.

Is it true that there have been fewer inquiries from the United States since the Rt. hon. Prime Minister of Canada (Mr. Diefenbaker) cried "wolf" and said that he was going to divert 15 per cent. of the trade from Canada to the United Kingdom?

Hon. Mr. Frost: They have started being nicer to us since that.

Mr. Whicher: The department has had far fewer inquiries, that is what they say.

Hon. Mr. Nickle: If I attempted to answer the hon. member's question, I may say on a very friendly basis, which I trust my hon. friend will understand, that it is the desire of his party to try to get into power, which they will not; therefore they have "shot" a lot of confidence for personal reasons, hoping they will form a government at the end of this—

Mr. Oliver: It was a friendly observation.
Vote 1,310 agreed to.

On vote 1,311:

Hon. Mr. Frost: Might I ask, Mr. Chairman, if the hon. member for Bruce is going to ask a question about that vote 1,310? He usually approves of more expenditures under the federal-provincial partnership agreement as set out in The Housing Development Act, RSO 1950, and the administration thereof—\$5.5 million, and he says that we have not built a house in Ontario. What does the hon. member think we do with the money?

Mr. Whicher: I have the question, which I will put to the hon. Prime Minister. How much of that money is the government getting back?

Hon. Mr. Frost: I hope every cent of it.

Mr. Whicher: Well, then, what is the hon. Prime Minister boasting about?

Hon. Mr. Frost: Of course, we are building these houses—

Mr. Whicher: The government is building them something like this—

Hon. Mr. Frost: My hon. friend likes to argue about this.

Mr. Whicher: I never said any such thing.

Hon. Mr. Frost: The way we balance the books here—

Mr. Whicher: The hon. Prime Minister does not balance the books—

Mr. Wardrobe: Mr. Chairman, just before you call the vote—

Interjection by an hon. member.

Hon. Mr. Nickle: In speaking of that housing item, I wonder if the hon. member for Bruce would accept an invitation from me to come and see some of the beautiful houses and so on built under vote 1,310, in connection with operations under the department of the hon. Minister of Mines (Mr. Spooner). It is really a picture to see laid out in the middle of the bush, these beautiful homes that please the people, the streets well laid out. All in all it is a lovely town, where a few years ago we had shacks that were a disgrace.

I think that this is a great item, Mr. Chairman, and I am very glad to see that amount of money in there and I am very glad to know that the majority has been paid back to the people of Ontario, and it has served its purpose, because we have heard from the Opposition that we do not want any more of this deficit financing.

Mr. Thomas: Mr. Chairman, the appropriation for the estimate for last year, the fiscal year ending March, 1958, was \$5.9 million. The question that I would like to ask the hon. Minister is this, how much of that was spent and how much is not spent?

Mr. Whicher: The hon. Prime Minister should put his newspaper down and pay attention.

Hon. Mr. Nickle: The whole amount will be spent by the end of this fiscal year.

Mr. Thomas: By the end of March?

Hon. Mr. Nickle: By the end of this year.
Vote 1,311 agreed to.

Hon. Mr. Frost moves that the committee do rise and report progress.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: The committee of supply begs to report that it has come to certain resolutions and begs leave to sit again.

Report agreed to.

THE POWER COMMISSION ACT

Hon. R. Connell moves second reading of Bill No. 110, "An Act to amend The Power Commission Act."

Motion agreed to; second reading of the bill.

THE LAKE OF THE WOODS CONTROL BOARD ACT, 1922

Hon. Mr. Connell moves second reading of Bill No. 141, "An Act to amend The Lake of the Woods Control Board Act, 1922."

Motion agreed to; second reading of the bill.

THE MANITOBA - ONTARIO LAKE ST. JOSEPH DIVERSION AGREEMENT AUTHORIZATION ACT, 1958

Hon. Mr. Connell moves second reading of Bill No. 144, "The Manitoba-Ontario Lake St. Joseph Diversion Agreement Authorization Act, 1958."

Motion agreed to; second reading of the bill.

SERVICES OF HOMEMAKERS AND NURSES

Hon. L. P. Cecile moves second reading of Bill No. 148, "An Act to provide for the services of homemakers and nurses."

Motion agreed to; second reading of the bill.

CONTROL OF AIR POLLUTION

Hon. M. Phillips moves second reading of Bill No. 152, "An Act to provide for the control of air pollution."

Motion agreed to; second reading of the bill.

THE DAMAGE BY FUMES ARBITRATION ACT

Hon. J. W. Spooner moves second reading of Bill No. 153, "An Act to amend The Damage by Fumes Arbitration Act."

Motion agreed to; second reading of the bill.

ONTARIO ANTI-DISCRIMINATION COMMISSION

Hon. C. Daley moves second reading of Bill No. 155, "An Act to establish the Ontario anti-discrimination commission."

Motion agreed to; second reading of the bill.

THE EMBALMERS AND FUNERAL DIRECTORS ACT

Hon. Mr. Phillips moves second reading of Bill No. 163, "An Act to amend The Embalmers and Funeral Directors Act."

Motion agreed to; second reading of the bill.

THE PUBLIC HOSPITALS ACT, 1957

Hon. Mr. Phillips moves second reading of Bill No. 168, "An Act to amend The Public Hospitals Act, 1957."

Motion agreed to; second reading of the bill.

THE HOSPITAL SERVICES COMMISSION ACT, 1957

Hon. Mr. Phillips moves second reading of Bill No. 169, "An Act to amend The Hospital Services Commission Act, 1957."

Motion agreed to; second reading of the bill.

THE TRENCH EXCAVATORS PROTECTION ACT, 1954

Hon. Mr. Daley moves second reading of Bill No. 170, "An Act to amend The Trench Excavators Protection Act, 1954."

Motion agreed to; second reading of the bill.

THE REHABILITATION SERVICES ACT, 1955

Hon. Mr. Cecile moves second reading of Bill No. 171, "An Act to amend The Rehabilitation Services Act, 1955."

Motion agreed to; second reading of the bill.

THE CROWN ATTORNEYS ACT

Hon. A. K. Roberts moves second reading of Bill No. 172, "An Act to amend The Crown Attorneys Act."

Motion agreed to; second reading of the bill.

THE SUMMARY CONVICTIONS ACT

Hon. Mr. Roberts moves second reading of Bill No. 173, "An Act to amend The Summary Convictions Act."

Motion agreed to; second reading of the bill.

Hon. L. M. Frost (Prime Minister): In moving the adjournment of the House, I would advise that tomorrow morning the estimates of The Department of Travel and Publicity will be considered, and after that in the afternoon if there is any time, there will be a budget debate. On Monday, we will have the estimates of The Department of Municipal Affairs and on Tuesday those of the hon. Provincial Secretary.

In the meantime, other business will be business on the order paper, budget debate and the various committee meetings.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, before the adjournment of the House, I wonder if it is too much for the hon. Prime Minister to state the day we are likely to prorogue here.

Hon. Mr. Frost: I had thought tentatively next Thursday would be the day.

Mr. Thomas: Not earlier than that?

Hon. Mr. Frost: Well, I do not know, I do not want to hurry the business of the House.

Mr. Thomas: We are getting a little tired and we would like to get out, as the hon. Prime Minister knows.

Hon. Mr. Frost: I said weeks ago that we would take our time, and we would do the business of the House carefully and conscientiously, and that is the situation, Mr. Speaker. I may say this, that if we run out of business, of course we would prorogue but we still have a lot of things to consider and it would look to me like next Thursday afternoon or evening.

I move the adjournment of the House.

The House adjourned at 10.20 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Friday, March 21, 1958

Morning Session

Speaker: Honourable The Rev. A. W. Downer

Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, MARCH 21, 1958

10.30 O'CLOCK A.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before the orders of the day, may I say that it is very nice on this spring morning to be here, and to see the hon. members of the Opposition, whom I have not seen since last winter. As a matter of fact, that applies to the hon. member for York South (Mr. MacDonald), too.

An hon. member: He does not get it.

Hon. Mr. Frost: This early in the morning, I point out to you, Mr. Speaker, before the orders of the day, that it is a pleasure to see, in the morning paper, an award won by the president of the Queen's Park press gallery, of which you and I are members. I think that is a wonderful thing, a great tribute to our own press gallery.

Without being fulsome in any way, I might say that over very many years of my own experience and of yours and that of the hon. member for Brant (Mr. Nixon) and the hon. leader of the Opposition (Mr. Oliver), we have learned to appreciate highly the Queen's Park press gallery. I think it is a great honour to see Mr. Kinmond receive the reward which he has, a reward which is partly based upon—as the award said—some personal danger, or apparently some personal danger, certainly a great trial and tribulation, to produce for the people of the newspaper world a story of what is going on elsewhere on this planet, and something that we are all very greatly interested in.

In other words, it is a devotion that was there, a devotion to duty in his acquiring those reports which were widely published here in Canada, and I congratulate him.

I also congratulate Mr. Reidford for his award, because he is a contemporary in this

matter. I mention that because primarily Mr. Kinmond is the president of the press gallery here.

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third reading upon motion:

Bill No. 70, An Act to amend The Vital Statistics Act.

Bill No. 87, An Act to amend The Insurance Act.

Bill No. 96, An Act to amend The Division Courts Act.

Bill No. 100, An Act to amend The Sanatoria for Consumptives Act.

Bill No. 107, An Act to amend The Training Schools Act.

Bill No. 115, The Private Investigators Act, 1958.

Bill No. 117, An Act to amend The Game and Fisheries Act.

Bill No. 118, An Act to amend The Tile Drainage Act.

Bill No. 123, An Act to amend The Mining Tax Act.

Mr. Speaker: Resolved that the bills do now pass and be intituled as in the motions.

Hon. Mr. Frost: Mr. Speaker, I might repeat what I said last night on adjournment, that on Monday we shall deal with the estimates of The Department of Municipal Affairs, and on Tuesday we will deal with the estimates of The Department of the Provincial Secretary. It will likely take all day for that, because I know the hon. members of the Opposition will have a great many questions to ask on these matters.

Mr. D. C. MacDonald (York South): Vital statistics.

Hon. Mr. Frost: That is right. Then there will be other items. Any of the items on the order paper are subject to call and, of course, there will be speeches on the budget debate, of which there are a very large number.

Mr. Speaker, I move that you do now leave the chair and the House resolve itself into committee of supply.

In making that motion, the business today will be the estimates of The Department of Travel and Publicity, to be followed by budget debate speeches, at the conclusion of which there will not be any further bills today.

Motion agreed to; House in committee of supply.

ESTIMATES, DEPARTMENT OF TRAVEL AND PUBLICITY

Hon. B. L. Cathcart (Minister of Travel and Publicity): Mr. Chairman, I would like to take just a moment to join with the previous speakers in congratulating our Speaker for the excellent manner in which he presides over the House. We are all pleased with the splendid attendance in the galleries, and are indebted to our Speaker for the good impression our visitors must carry away with them as a result of his rule in this House.

I would like to add, as well, that our Speaker does meet many, many people of all levels of life in his office, and I question if we could have a better personality for that particular job. In our department, which is after all promoting travel and publicity and those good impressions that our people may gain on a visit with us, it is of vital importance that we have just that kind of man there to take care of it.

May I also extend my best wishes and congratulations to that very fine looking group of new hon. members who have entered the Legislature by way of by-elections since the last session. The ridings of Glengarry, Middlesex North, Lanark and Elgin can well be proud of them as their hon. representatives, and the by-election returns can be accepted as a great tribute to our hon. Prime Minister and his leadership.

It is good evidence that the people of this province of Ontario feel the government is in good hands, and the regular attendance and active participation of these hon. members in the affairs of the House is proof of their very keen interest in the future of this province.

Mr. F. R. Oliver (Leader of the Opposition): Is this a speech on the estimates? Or is it the wrong speech?

Hon. Mr. Cathcart: The hon. members of the Opposition can pat themselves on the back I have not taken too much of the time of the House leaving it pretty well to others to

take up that time and I wanted to get in these one or two things.

May we become serious for a moment. I take a further moment to pay a very sincere tribute to one who is greatly missed in our department, a soldier and officer in the truest sense of the word and a loyal and devoted civil servant, the late Deputy Minister, Col. C. D. Crowe, who served The Department of Travel and Publicity so faithfully for many years.

At the same time I want to welcome his successor, Mr. Guy Moore, on his first appearance in this House as Deputy Minister of this department. I was happy indeed that we were blessed with the calibre of personnel that enabled the promotion from staff, rather than having to bring in someone for this important position.

As a matter of fact, because of the high calibre of the personnel, it was very difficult to make a selection, however, I can tell the House that Mr. Moore is doing a splendid work and the directors and staff are all working with him in a most co-operative way.

From recent press reports, it would appear that the public may have gained the impression that The Department of Travel and Publicity is not receiving full co-operation from other departments of government, and, if this is the case, I want to correct that impression and correct it very strongly. Let me say, on behalf of this department, we would not be too successful in our efforts if we did not have their whole-hearted co-operation. I could give the hon. members experiences we have had with every department of this government with whom we are closely allied that would prove my point; however, this would take a great deal of time so let me mention just a few.

First, may I say it has been a great pleasure and privilege to have had the complete and sympathetic hearing of our hon. Prime Minister (Mr. Frost) in connection with the many problems having to do with this department. Those who have sat in this House for any length of time know full well that the hon. Prime Minister, as Provincial Treasurer of the province, watches with an eagle eye every expenditure made, and the personal consideration he has given to our problems is good evidence that he appreciates the great value of this industry to the economy of this province.

Because of the close liaison necessary in our types of work, I would like to mention also how much we have appreciated the help and co-operation of the hon. Minister of Lands and Forests (Mr. Mapledoram), the hon. Mini-

ster of Highways and Transport (Mr. Allan), and the hon. Minister of Public Works (Mr. Griesinger), as well as their respective officials for their very fine co-operation to our department.

As a matter of fact, the good work carried out by every department of this government in the development of the province is a great help to our job of promoting the travel industry. We can well be proud of the fine schools, the old people's homes, the development of our parks and so on. These things really do leave a good impression on the minds of our visitors as to the kind of people we are and the kind of progress we are making.

There was considerable talk in the House yesterday on the housing problem and what success has been achieved in this province of Ontario with respect to housing.

Since I happen to have one of those very fine land assembly projects underway in my own city of Sarnia, under a joint partnership between the federal government and The Department of Planning and Development of this government, I would particularly like to mention it, because it has proved of real value.

There are some 500 fine, well-constructed homes completed, with all local improvements installed, and located in a good part of the city. The families living in them are happy because they have no fear of additional local improvement costs added to their annual expenses. A second part of this project is about to be undertaken which will provide something over another 500 homes.

Believe me, it is a pleasure indeed for we of that area to take our visitors out to this project and show them the great development that has taken place there, and to introduce them to the people living in that project because they are a happy people.

We all know of the experiences we had previous to such a project, how so often our people purchased a home in a subdivision thinking that they would have a certain monthly payment to make, and at a later date found the municipality moving in constructing local improvements that added greatly to their cost and certainly caused them worries.

Mr. Chairman, you can understand that, as Minister of this department, I travel very extensively, and particularly by automobile, not only in the province but down through the United States, and through our sister provinces. Therefore, I feel I am in a position to say we can well be proud of the net-

work of paved roads stretching across this province.

As a matter of fact, this is not only my personal opinion, but also that of many others who have visited with us. The hon. Minister of Highways and his officials are doing a tremendous work in improving existing highways and building new ones.

We do have the odd complaint, possibly during construction, where a contractor is careless and causes inconveniences; or sometimes the directional signing is not exactly perfect. But when things of this kind happen, the local areas very often intercede through this department, realizing that it is of importance to the job that we are trying to do in the way of the promotion of the travel industry.

May I say that in every case where we referred these matters to the hon. Minister or his officials, corrections were made without delay wherever possible.

I would like to emphasize that neither my officials nor myself have hesitated at any time to get in touch with the hon. Minister or his staff, because their attitude has always been that of perfect co-operation and, in fact, that of appreciation to us for bringing these matters to their attention.

Of course, The Department of Lands and Forests is very closely allied with our efforts—in fact they could make or break our business—and may I tell this House that no item is too small or too big for the sympathetic hearing and quick action on the part of the hon. Minister and his officials.

The hon. Minister of Public Works and his officials have been also more than co-operative in carrying out the many jobs we ask of them in connection with landscaping, repairs, and renovations to our buildings. In fact, they have plans at the moment for new reception centres for this coming year, and I want to pay particular thanks to them for the very fine landscaping job around our other reception centres throughout this province. Those hon. members who have visited them will have noticed that they do spend considerable time and we appreciate it as it does add much to the whole atmosphere wherever the reception centre is located.

While on this subject I would like to point out that this department does need the help, not only of the government, but of every hon. member of this House, particularly out in their respective ridings, where they can help win the support of every individual. Both the officials and myself travel a great deal out through the province, to meet the people in

their own communities, with the hope that we may be helpful in inspiring even greater efforts towards providing finer attractions that will bring more visitors to their particular areas.

We also try to encourage them to extend every effort, while they have the visitors with them, to be courteous and warm in their greeting, in order to assure them of their welcome because, if we are ever going to do a job, it will be due to the fact we are building up a repeat business.

Our visitors returning to their homes after a happy vacation will be more likely to bring back some of their friends with them next year. On the other hand, each visitor who, through some carelessness or lack of courtesy on our part, could return home dissatisfied, unhappy and disgruntled, and, as a result, keep a dozen of his friends from paying us a visit.

I have been happy indeed in my travels to attend gatherings and functions in this province, where the local hon. member nearly always finds time, out of his busy life, to be with me. This is appreciated and certainly makes my job much easier.

As I look around the House it seems to me that I have been with a great many of the hon. members at one time or another in their own ridings, and this applies regardless of what their political faith may be. It would take too long to name each one of them, but I do want to thank them all for the kindness and co-operation extended to me whenever I have had occasion to visit their areas. Their fine support of the travel industry at all times has been very helpful in promoting local interest in our programme.

I know that when the local hon. member is with me, we are simply saying together how important it is for the local people to encourage the tourist travel business, and that we are there as a team to assist them in every way possible to achieve this result.

Now, Mr. Chairman, I want to take a moment to give the House a brief outline of a report on what we consider to be one of Ontario's biggest assets—the travel and vacation business—an industry that governments all over the world generally accept as being of prime importance to their economy.

As far as Ontario is concerned, I am proud to say that we are holding our own, and, in fact, that we have enjoyed an increase in this business over the past years—this, in spite of unco-operative weather for the past couple of years.

In 1956, we had anything but summer weather, and last year—right at the start of the season—hon. members will recall that high winds or tornadoes slashed through the south-central part of the province causing extensive damage and resulting in the kind of publicity that caused many cancellations. We can understand why people living 1,000 or 2,000 miles away, who had made reservations, would wire their cancellations when they heard about the weather conditions existing here.

Regardless of this, however, my report from spot-checks and personal conversations, with a great many tourist operators, convinces me that they ended up with a good year. In fact, I have yet to meet one operator, who has up-to-date facilities, who did not tell me he had come out better financially last year than in most of the previous years' operations.

We, in the department, gauge or forecast the travel business to a large extent on the number and kind of inquiries received, and last year for the months of January and February, as compared with the same two months in 1956, inquiries were down 1,000 or so, which resulted in some concern to us.

However, in spite of this, our reservations were very extensive and our reports show close to a 4 per cent. increase last year.

This year of 1958, for January and February, inquiries are away up. This is certainly indicative of a good summer ahead, and would lead us to believe that people generally are looking forward to their vacations, and certainly have an eye on Ontario for a good place to spend them.

Total inquiries received for these past two months are 21,066 as against 13,367 in the same two months of 1957. Of course, should we again run into difficulties through bad weather, such as that experienced by the state of Florida this past winter—resulting in some serious problems for them—we, too, would have difficulties with cancellations. However, since we went through this type of experience last year as a result of the tornado, and things turned out very successfully, we would hope everything would work out again for us.

From the standpoint of passenger cars crossing the international border into Ontario, we were up more than ever before, with approximately 5.5 million. I am happy to say that the larger increase of these cars was made up of parties spending two or more days in the province of Ontario, and intending to leave by a different customs port. This group was up some 3.3 per cent. over 1956, and

exceeded the average of the previous 5 years. Entries made by common carrier were up substantially with the exception of those by rail which showed a slight decline.

It is always difficult to really assess the true value of the tourist business in this province, or, as a matter of fact, to assess the true value of the tourist business. The department made a survey a few years ago, which proved that expenditures, made in Ontario by visitors from outside our borders, amounted to at least \$250 million.

Returns from a survey started by the department last year would indicate that this is a very conservative estimate and should be at least \$300 million a year. Of course, these figures apply only to visitors from beyond our international borders, and do not include visitors from our other provinces, or the travel of our own people.

We are anxious to obtain figures that will give us a better estimate on the whole situation and for that reason we have joined with the Canadian government travel bureau, the other 9 provinces, and the Canadian tourist association, to carry out a Canadian tourist industry survey at a total cost of \$40,000. The Canadian government travel bureau contributed \$15,000; the provinces combined contributed \$17,000; and the Canadian tourist association contributed \$8,000.

This survey was started last year, and we should have the results this fall. It is being carried out by the Business Planning Associates Limited of Toronto, under the supervision of a committee of 5, representing the Canadian government travel bureau, the provincial governments, the Canadian tourist association, transportation companies, and the Dominion bureau of statistics.

We shall also have figures and information from our own department questionnaire which was distributed to our visitors last year for completion and return. So far we have received some 4,000 replies and they are still coming in.

Added to this, we are hoping, with the co-operation of the tourist operators of this province, to obtain information on our present facilities and available accommodation in relation to actual occupancy; as well as to try to ascertain the expenditures made in Ontario by our own people on vacation, as well as by Canadians from other provinces.

We feel that the returns from these surveys should provide us with factual information that would give us a better overall picture of the tourist situation, and enable us to determine whether or not there is a need for a different approach of any kind.

I would like to mention once again that we feel that our own Know Ontario Better campaign, and the Canadian tourist association Know Canada Better campaign, which followed our lead, are paying off—both provincial-wise and by interprovincial travel. Both are contributing greatly to the tourist industry.

There is not only a financial return but, as a result of such travel, our own people learn more about our province and should be our best advertisement when talking about Ontario to their neighbours and friends from other countries.

We have entered an era in the travel industry that has become extremely competitive. Every country in the world is spending more money, and using every attraction at its disposal, in order to convince people they should pay that country a visit. So, because of this challenge, we, here in Ontario, will have to meet the competition by every means at our disposal.

While we presently enjoy over 60 per cent. of the total Canadian tourist business, we could lose this position unless we work together in a programme that would keep people coming to our province. We are continually encouraging area organizations to develop attractions wherever or whenever possible, and more and more areas are recognizing this and doing something about it.

To mention just a few, we have our Shakespearean festival in the city of Stratford; the Santa Claus village at Bracebridge; the Indian village at Midland; the Barry's Bay ballet festival at Barry's Bay, which was started two years ago, and last year they were very happy with the success that they had met with in their second annual festival. I understand they plan to carry it on in the years to come. Then there are the Penetang winter carnival; the blossom festival; the colour cavalcade, and many others.

In that great part of the province known as Lambton county, they have organized the Lambton county historical society during the past year, and plans are under way for the construction of an historical museum at Oil Springs, in the riding of my colleague, the hon. member for Lambton East (Mr. Janes), to commemorate the drilling of the first oil well in North America.

The county of Lambton and city of Sarnia, with the assistance of oil companies, have great plans for this site, not only because of its historical value, but also because it will serve as an interesting tourist attraction.

Hon. members might be interested to know they are planning to hold the formal opening of the oil museum of Canada at Oil Springs on June 28 of this year. We extend a warm welcome to each and every hon. member.

Our ski jumps and winter sports are becoming increasingly popular, and, of course, this is important because it extends the vacation period over a longer period of time. The attendance at some of these events has been in the thousands. I recall one at Midland a year ago where they told me there were over 10,000 people present.

To come now to my estimates. Hon. members will note I am again asking for just a little more, in order that we may keep up the momentum of our effort and not lag behind our competitors, who, as I said before, are putting forth intensive efforts to gain business that might just as well be ours.

I have a good example right here—a full-page ad appearing in our Canadian papers across the province on behalf of St. Petersburg, Florida.

My department is composed of 5 main branches and each branch has the usual overhead. In connection with travel expenses, I encourage all senior members of the staff to travel freely, and to spread all over Ontario the message that travel and vacationing make up one of our leading industries—and one well worth fostering and promoting. We have many requests for speakers from local bodies, and try to fulfil them all when possible. For example, the personnel of one branch alone participated in 201 meetings of tourist organizations and other bodies allied with the tourist industry, and at 30 of which they were engaged as the principal speaker.

Regarding salaries, I consider myself fortunate in the calibre of men and women of the department, and I like to recognize their ability by the usual annual increase of pay sanctioned by the civil service commission.

In every one of the 5 branches of the department, not only is the volume of work increasing annually, but costs are rising annually. This is particularly true in the fields of advertising and printing.

There are many promotion projects that we are tempted to try, but up to this moment, we have pretty well restricted ourselves to the basic proven media: newspapers, magazines, radio, TV, and billboards.

A very gratifying thing to me is the generous editorial support we have enjoyed from our Ontario newspapers, not only from the editorial standpoint, but from the standpoint

of column writers as well. They have all given a great deal of space on behalf of the travel industry. There is no doubt they are thoroughly aware of the importance and value of this industry and, believe me, we not only need their support, but we greatly appreciate it.

In this connection, I also want to say a sincere thank you to radio and TV, because, as I have pointed out, the travel industry in Ontario has been increasing, and a great deal of the credit certainly goes to those I have mentioned.

This coming June we will be conducting our 15th annual U.S. editors' goodwill tour of Ontario, with one editor from each of 30 states. I regard this goodwill tour as one of our most valuable promotion measures.

Our guests are met at a border point and taken over a 12-day itinerary, which we endeavour to vary from year to year to include the maximum number of stopping points possible without imposing too much on our guests' endurance.

We do not carry these tours out single-handed, but always have the most generous co-operation from the Dominion government, the Royal Canadian mounted police, the Ontario provincial police, the Ontario hotel association, the transportation companies and municipalities, chambers of commerce and industry.

Our advertising programme in 1957 provided for a total expenditure of \$273,000 in newspaper paid space, magazines, radio and television in both Canada and the United States. To meet the rapidly mounting competition for the tourist dollar, we are planning some expansion. Of this total amount, approximately 73 per cent. was spent in the United States and 27 per cent. in Canada. The latter includes our Know Ontario Better campaign within our own province, as well as advertising in nearly all of Canada's national publications and special programmes in the provinces of Quebec and Manitoba where proximity plays an important part.

Our daily direct mail inquiries for last year showed an increase of 14,022. They went up to 163,391 in 1957 as compared with 149,369 in 1956, and the majority of increases were from the United States. We feel that this came about to a large extent because we changed our programme last year and used a greater and wider frequency of insertions by the way of smaller advertisements.

While there has been some question about the influx of United States visitors, I would like to point out again that from our Dominion

government statistics, we are still enjoying here in Ontario over 60 per cent. of the total Canadian travel business.

Our development branch has been continuing its programme of tourist conferences and area development and promotion, and it is expected these will be expanded because of popular demand and the great need for increased activity in these fields.

Our tourist reception centres, operated by the information branch, and located at border points of entry, will continue to serve what we feel is a very valuable service to the incoming visitors. The total number of registrations in the books for last year were 555,965 and is an indication of the kind of service they are rendering.

The activities of our mobile information unit, since its inauguration last year, prove to be very gratifying. Its popularity and the increasing demands being placed upon its time are convincing proof of its value to the travel industry of the province, and it certainly enables us to be in touch with many additional public affairs, giving additional publicity to Ontario.

The photography branch will continue their programme of special promotion, as it has been found to be a most valuable means of advertising Ontario in the United States for a very small outlay of money. Also, a new film will be prepared this year and added to our extensive library. These films are available for showing over in the United States or in Canada.

I am very happy to say that our archaeological and historic sites advisory board is carrying on a very important work in an excellent way, with the result that 50 plaques were erected last year, in addition to the 10 erected the previous year, making a total of 60 historical plaques.

As you can understand, Mr. Chairman, there is great deal of research necessary before an inscription can be placed on a plaque, and the board, through its secretary and staff, collects information from every available source, which includes excerpts from, or references to, books, newspapers and manuscripts, as well as statements received directly from persons having a specialized knowledge of the area in question.

The board is extremely anxious, at all times, that the records supporting the inscriptions provide information that is reliable and authentic, and, while there is always a possibility that it might err, the archaeological and historic sites advisory board is doing its level best to eliminate such a possibility. Each member is an historian and appre-

ciates the great value of preserving our historical past.

We feel that a great contribution is being made to the province through this work, and I want to pay the highest tribute to all who are serving under the very able chairmanship of Mr. William Cranston of Midland. In fact, we of the department are so impressed with the fine work that is being done by this advisory board that, in order to facilitate matters and to carry out the responsibilities which have accrued to the department, it has been decided to form an historical branch.

Mr. Chairman, I have tried to give this House some outline of our past activities, as well as our ambitions and objectives for the future, and I hope what I have had to say has been of some value. I would like to mention that to point up maybe or emphasize why I become more and more impressed with the value of this industry. Of course the financial return is of vital importance, and along with that the circulation of our people and the circulation of other people with us, to me, is of great importance inasmuch as only by personal acquaintance do we get to know each other.

We are spreading, in our opinion in the department, goodwill and better understanding in the promotion of this travel business.

I received a letter—I am sure the particular association would have no objection to me quoting from it—a few months ago. It comes from the North Bay tourist resorts association, and in that letter they were taking certain matters up with me—in fact a deputation came down and met with us in the department—and they have this to say:

The capital value of the 44 resorts on the lakeshore is in excess of \$4 million. Indicative of the amount of tourist business in all the North Bay area is the fact that more than \$6 million of United States money passes through the North Bay banks each summer.

They are rather remarkable figures. We all know the city of North Bay. Some \$6 million of United States money passed through the North Bay chartered banks' hands. That money can come from no place except from our good brothers from below the United States border south of us.

Mr. Chairman, in support of my remarks, as some hon. members may have noticed in the *Financial Post* of this week, they have written a paragraph or an editorial there:

BIG TOURIST YEAR AHEAD

Then they go on to express the thought that everything is indicative, everything points to one of the best tourist years that we have ever had this coming year of 1958.

As I have said before, in spite of the fact that we face competition—there is no question about it, very keen competition—we have bright prospects ahead. I think that competition will give us all the more reason to put our shoulders to the wheel, as it were, to retain the business that we are now enjoying which is as I have stated, some 60 per cent. of the total of Canada's travel business.

I thank hon. members for their patience in listening to my perhaps long monologue. I, of course, will move down to the front desks now to go through our estimates, and that will give me the opportunity to explain anything that I may not have touched on up to the moment.

I thank hon. members very much again for their attention.

On vote 2,101:

Mr. R. Whicher (Bruce): Mr. Chairman, I have very few remarks to make about this department, and in general I would like to congratulate the hon. Minister on doing a very reasonably good job across the province. I might say that I was one of the members who had the pleasure to have the hon. Minister of Travel and Publicity visit our area. I might say it was very much appreciated and, any time the hon. Minister can come back he will be very welcome indeed.

Mr. Chairman, I realize that this is entirely out of order because the orders of the day have long since passed. But I think my hon. friends across the way will excuse me, if very humbly, I tell them that seated in the gallery are the members of the Wiarton town council and I wish the hon. Chairman would welcome them in the way I know he can.

I have to bring that point out to show them that, even though we may be somewhat critical of each other, we are really not a bad lot of fellows.

Hon. G. H. Dunbar (Provincial Secretary): I notice some of them there who attended a dance I had out there when I visited Wiarton in connection with game and fish.

Mr. Whicher: Was it a Tory dance?

Hon. Mr. Dunbar: I say that some of the same gentlemen are here who attended the dance when I attended the banquet in Wiarton. I enjoyed it very much, they are a wonderful bunch.

Mr. Whicher: Well, that is not what the hon. Provincial Secretary called me in the past.

Hon. Mr. Dunbar: Oh no, but the hon. member is not in the running there.

Mr. Whicher: Mr. Chairman, I would just like to endorse to a large extent what the hon. Minister has said. I believe that the tourist industry in the past year has been most successful. I know it has been in my area, and I think that the only thing that we have to look to—and be at all critical of—are the plans that may be in the office of the hon. Minister of Travel and Publicity for the future, because by and large the tourists who come into Ontario, and indeed the tourists from Ontario, are well looked after. They spend a great deal of money and the tourist operators, I believe, are happy and financially successful.

When the hon. Minister said that he had received great co-operation from the other departments of his government to help out this great industry, may I remind him that I think that he could be a little critical of them. Perhaps he should keep prying at them, because the other departments of government are the ones which really make the tourist industry a success or failure, whatever it might be.

May I remind the hon. Minister he could very well tell the hon. Minister of Highways that, while we appreciate all the new roads across this province, a great deal of work could be done on the old roads. No visitor likes to travel on roads that are full of potholes, and according to the hon. member for Windsor (Mr. Reaume) there are a number of potholes in this area and I wish to assure him that there are quite a number in mine, too.

The hon. Minister of Lands and Forests has certainly co-operated with the hon. Minister's department in the establishment of these parks, and as I said yesterday, the Sauble Beach Park is a credit to our own area, and has done a great deal for the tourist population who come into Bruce county.

Might I say to the hon. Minister, that I would appreciate very much his help in the development of a further park in the Bruce peninsula because it would help the tourist industry immensely.

The tourist industry is going to be developed further only through private enterprise and—

Mr. D. C. MacDonald (York South): What about the provincial parks?

Mr. Whicher: I am talking about the accommodation that provincial parks provide; these are a small part of the great tourist industry of this province, but it is to a large extent going to be developed through private enterprise.

I hope that the hon. Minister, through his department, encourages people, for example, who own private golf courses which are most important to the tourists, and municipalities which have large areas of beaches, because these certainly are most important for the tourist industry. They need encouragement by visits of officials of The Department of Travel and Publicity. A pat on the back does a great deal for them, and by improving these services we will, in the long run, have more visitors to this province of ours.

The fishing is one of the main reasons why tourists visit us, and I ask the hon. Minister to keep telling the hon. Minister of Lands and Forests to get all sorts of fish into our inland lakes and rivers because many, many people—thousands and thousands of them—visit us for the sole reason of a little holiday and a fish, and if they catch that fish they will come back next year.

Hon. Mr. Cathcart: I just hope our present hon. Minister retains his good health so he can stay on the job, because I do want to say sincerely that the hon. Minister of Lands and Forests is very co-operative with us, and that he is always ready to listen to our pleas.

Mr. Whicher: Now, I have one suggestion. In order—

Hon. Mr. Cathcart: I think hon. members well know that he is fat and good natured.

Mr. Whicher: I have one more suggestion in order to try to sell our province, in order to get more people here, and obviously that is the prime desire. If we have the people here they are going to spend a certain amount of money.

Last night in the estimates of the hon. Minister of Planning and Development (Mr. Nickle) he told us about the offices that they have in Chicago and New York to promote new industry in this province. I believe that there was some \$60,000 expended in the promotion of industry by those two offices.

I suggest that the hon. Minister of Travel and Publicity could very well have some man,

from his department, in each of those offices to promote the tourist industry in this province.

Hon. Mr. Cathcart: May I say we do, if the hon. member will pardon me. We do, in the Canadian government travel bureau office, in New York, keep a staff of one or two all during the summer to distribute our literature. We do not run an office of our own, but we do have personnel from our department to do that. I realize what the hon. member means; we maybe could go further, but—

Mr. Whicher: In our particular area, we have a large number of tourists who come from Chicago or Cleveland and Detroit, and if the cost is not too large, I believe it would certainly pay to have, in co-operation with the offices of other departments of government now in those cities, representatives of the hon. Minister of Travel and Publicity to advertise in the local papers and tell the people of Cleveland, for example: "If you would like to have a holiday in Ontario this coming year, visit our office at such and such a street." In that way he could really sell the proposition to the people.

Various shows such as sportsmen shows are held in Detroit and Cleveland. We have men from our own area who go down there for perhaps a week during the year, and attempt to sell our area to those people. But, at a very minimum cost it seems to me, the hon. Minister could have his men there all the year round, who could sell this province to them and give them any advice and as to where they want to go. These men could tell the people there about the various forms of entertainment, the fishing possibilities in certain localities, and any other information that might be required.

That, I think, is the prime effort that he should devote to this purpose. As far as the people who come here now are concerned, in a general way they are being well looked after, and we appreciate it. But if we wish to increase the tourist industry, I think we should go to the American cities and sell Ontario to the citizens there, and then they will come.

Mr. Oliver: I want to say just a further word on vote 2,101. Is it too late?

Mr. Chairman: No, we are not in too big a hurry this morning.

Mr. Oliver: I notice in 1956-1957 in the memberships in and grants to travel organizations, the hon. Minister spent \$965. In 1957-1958 he estimated he would spend \$1,500, and this year he intends to spend \$10,000.

Now is the department going to become a department of joiners? I mean, why this great increase in this particular amount? What travel organizations is he going to join this year that he did not know existed last year?

Hon. Mr. Cathcart: Well, off-hand for instance, the contribution to the CTA—the Canadian tourists association—towards the Canadian travel tourists survey, is underway, our contribution there will be part of that. I have, some place here, the amounts of which that is made up.

While we call it a grant, it is a contribution towards the Canadian tourist survey. Then we are increasing our grants to the association of tourist resorts, the northern tourist outfitters, the Lake Erie vacationland, Canadian tourist association, and the Mississippi parkway.

Hon. members probably know of the great Mississippi road or parkway commission, coming up through the United States, that ends up in our great province, just outside the city of Kenora where we unveiled the plaque there commemorating the joint intersection of two or three highways.

We are tying ourselves in with the Mississippi parkway association, a grant of \$1,000 I think we are making to them. Manitoba is doing the same thing, and so is each one of the states around there, in order to promote that extension of the highway into our province of Ontario, where a great many of our tourists visit today. It plays a very important part in the industry up to the Rainy River district.

Of course, we pay to the Ryerson scholarship and the American society of travel agents, and the national association of travel officials. Those are the associations we are making grants to, including the Mississippi parkway, the Canadian tourist survey that is being carried out plus some increase of grants to the larger associations such as the outfitters, the association of tourist resorts, and those 3 or 4 groups.

We feel, as the hon. member for Bruce has just said, the local organizations do a tremendous job. Without them I do not know how much good our work would do. We just have to appeal to them and encourage their support, because here at Queen's Park our job is leadership and advertising, and doing what we can, of course, to say to the world that Ontario is a great province, and then we have to leave it pretty much with the local areas to do the encouraging part of it locally, so that I feel that we should give all the

encouragement, not just by word of mouth, but by a little financial assistance to those larger organizations that are carrying the ball for great areas.

Mr. A. H. Cowling (High Park): Mr. Chairman, hearing the hon. member for Bruce speak reminded me of something here in Toronto I thought I should bring to the attention of the hon. Minister. I know that we are interested in having our tourists go to some of the far-flung areas of our great province, but we are also interested in getting some of them into little old Metropolitan Toronto for so many reasons. It is just a great place to come and visit.

As the hon. Minister knows, we are in the process of having a great stadium here in Toronto, where we can have all kinds of sporting events—this will interest him too—and naturally, if we are providing the right type of sport, both amateur and professional, we encourage many, many citizens from across the line to come here and witness these games.

As hon. members know, there has been a great deal of discussion about Toronto having a professional ball team, and for that reason we would need large stadium facilities.

For professional baseball—that is, major league ball—we would draw fans from all along the border points, Buffalo over as far as Detroit, southward into New York state. Naturally, in a place as large as Toronto and in a city where we have so many sports-minded people, it seems to me that maybe our Department of Travel and Publicity could give a little encouragement to this proposition. It is something in which our Toronto papers, in particular our Toronto sportswriters, are very much interested.

I do know that the Toronto council have approved money to assist in the enlargement of the stadium at the Canadian National Exhibition to accommodate certain sports.

I think that probably we should go all the way, over a period of a few years, and make ample room to accommodate, say, a crowd of 40,000, or 50,000 or 60,000.

I do not think that is too big for Toronto, and then we could have the people come down from Bruce county and enjoy it. The hon. member could bring the council down, every now and again, to see the ball games. But it would mean revenue to our province, Mr. Chairman, through people coming over the border, by the tax on the ball games, and so on.

This thing needs a bit of a lift, and I know of no one better from the provincial side to

give it that lift than the hon. Minister of Travel and Publicity and I bring that to his attention now.

Hon. Mr. Cathcart: May I just say to the hon. member for High Park that we recognize of course that Toronto is a great city. It is the capital city of this great province. I can assure him that the city of Toronto is not overlooked by our department. As a matter of fact, I say, without hesitation, that the Toronto tourist association works very closely with us, and I am sure that if they were here they would say we do give them a lot of encouragement and help in one way or another.

Vote 2,101 agreed to.

On vote 2,102:

Mr. W. G. Noden (Rainy River): Mr. Chairman, on this item I would like to congratulate the hon. Minister for the fine job that he is doing. I remember last year that this estimate had been increased further, that is, to send more money to the south of us in publicizing Ontario. In the past year, to the south of us—say in Minnesota, that is south of northwestern Ontario—they have put up billboards and used TV.

I might say that the tourist industry for 1957 was never in a better condition. It was healthy and it has been expanding.

I want to commend the department for its assistance; they are giving tremendous encouragement to this industry. I might say that our own people, like chamber of commerce, for instance, the one at Fort Frances this year, put on an ice carnival to attract people to our area and I know the other centres are doing the same thing.

We are also attending the sports shows in the southern part of the United States, spending our money and doing our part in trying to co-operate with his department.

In doing this, I might say that we realize what the potentialities are in the future, with the great river road that is now being built from New Orleans—the Gulf of Mexico—and I understand that the joining point at the border will be at Fort Frances, and that the terminus will be on highway No. 17 and highway No. 71, as the hon. Minister has announced. This is a good job and I commend this department.

Mr. Oliver: On this vote, Mr. Chairman, the hon. Minister proposes to spend upwards of \$700,000. Now I want to know from him two or three things.

In the first place, how is this vote divided as between the different mediums of advertising—newspaper, TV, radio and magazines—and also what proportion of the vote is spent in Canada, what proportion in the United States and, thirdly, who handles the advertising account for the department? Is it with one advertising firm, or is it distributed around? Could the hon. Minister give us some information along that line?

Hon. Mr. Cathcart: Our money goes out in this way. United States magazines \$120,000; United States newspapers and billboards, \$55,000; radio and TV, \$25,000. That is not all over the United States. What we try to do to a large extent, with radio and TV, is maybe to advertise with the border stations. They may be Canadian ones that beam over into the United States, and beam over into our own province, because we feel that we derive greater benefits from it.

Two years ago, two or three years ago, when we first went into TV, we used the stations pretty much down through the southern states, and we did not feel that we got sufficient returns, judging from the number of inquiries that came back to us. So we have changed it and we are using pretty much the border points so that it beams both ways, because we are bending our efforts to the Know Ontario Better campaign.

To a very large extent we feel that it is very important. As I said, our people, in learning more about their own province, become our best ambassadors when they go abroad and visit with their friends over in the other countries.

Radio and TV, \$25,000; Canadian papers and magazines, \$100,000; general and other papers, \$50,000; making a total of \$349,500.

Printing amounts to \$300,000. With regard to the printing, I guess we come up with something in the neighbourhood of 30 publications altogether, and they are pretty much art work, not just plain printing. Our director of publicity, Mr. Hogarth, has the responsibility of that particular branch of the department. He comes up with a design of some kind—maybe last year's mostly—and puts it through the Queen's printer, and asks for tenders on that particular publication.

We have been trying to broaden that in the last couple of years. This is a little difficult because printing plants throughout the province are not all equipped, when we get outside the city of Toronto, with the facilities to handle certain publications. But we are expanding it, and we find, too, that

printing companies out through the province are extending their facilities much more than they were just a few years ago. They are looking for extra business.

Tenders are sent out by the Queen's printer on these jobs. They are returned and we, of course, then select the companies to do the job, depending on the design—not necessarily the lowest prices—design and price are both very important to our decisions. In other words, we do not just say: "Well, these are the tenders and this is for \$10 and the other one is for \$20 and we will take the \$10 one," because—and I do hope that hon. members will agree—our publications are improving over the years.

I am sorry that our newer book is not off the press because, while last year's work, I felt, was an improvement—many hon. members told me that anyway—I think that this year's is even better, and is being printed at approximately the same price.

As I said, I have here McKim, Locke Johnson, McConnell Eastman, Hayhurst, those are pretty much—

An hon. member: What are they for?

Hon. Mr. Cathcart: Oh, those are our agencies for advertising. We put our advertising, in most cases, through an agency. In doing that the papers pay the agency their commission—

Mr. Oliver: What agency?

Hon. Mr. Cathcart: McKim, Locke Johnson, McConnell Eastman, and Hayhurst, they are all in Toronto. Oh, I am sorry, McConnell Eastman, I forgot, is over in London. They do our billboards. I am sorry.

Mr. Oliver: Has the hon. Minister the amounts that are paid to each one of those agencies?

Hon. Mr. Cathcart: We do not pay them.

Mr. Oliver: The department does not pay them at all?

Hon. Mr. Cathcart: We do not pay them, do we? Well, it is not deducted from the total cost of—

Hon. Mr. Frost: We get it done for nothing.

Hon. Mr. Cathcart: No, I have the papers. Of course, coming up with the billboards we pay McConnell Eastman because that is completely ours, is it not? In distributing advertisements they design it in co-operation with Mr. Hogarth, and I understand that the papers pay that agency the commission. We

pay for the ad, but they collect a portion of it.

Mr. H. C. Nixon (Brant): But the agency handles the money.

Hon. Mr. Cathcart: Oh, of course.

Mr. Nixon: Well, that is what we wanted to know.

Hon. Mr. Cathcart: We pay the agency and then they get a commission from the magazines.

Mr. Oliver: Good. Well I think that is better. Now, how much does the department pay each agency?

Hon. Mr. Cathcart: Those are the figures I just gave.

Mr. Oliver: Will the hon. Minister give them to us again?

Hon. Mr. Cathcart: McKim \$120,000; McConnell Eastman \$55,000; Hayhurst \$25,000; and Locke Johnson \$100,000.

Mr. MacDonald: Is that commission?

Hon. Mr. Cathcart: Of course, that is in round figures.

Mr. Oliver: I will say it is round, all right.

Mr. T. D. Thomas (Oshawa): In the public accounts for the year ending 1957, the amount received by the McKim Advertising Limited was \$69,000 and this year the hon. Minister says they are going to get \$120,000. Well, does he intend to step it up that much?—from \$69,000 to \$120,000?

Hon. Mr. Cathcart: Our advertising will be expanded a great deal this year, as hon. members can tell by the estimates.

Mr. MacDonald: Mr. Chairman, may I ask the hon. Minister if the department has officials at Ontario House in London?

Hon. Mr. Cathcart: No.

Mr. MacDonald: Why not?

Hon. Mr. Cathcart: In London, England?

Mr. MacDonald: Yes.

Hon. Mr. Cathcart: Now, we use the facilities of our Ontario House. It is always available to us, and they do a great deal of work for us over there.

Mr. MacDonald: In other words they do the job without the department having actual—

Hon. Mr. Cathcart: Yes, without us having actual personnel from our department.

Mr. MacDonald: I wonder what proportion of the work of Ontario House is in this field?

Hon. Mr. Cathcart: Well, I would not say any part is particularly allocated to them, as matters arise during the summer or during the year, we use them. The agent general and his offices are available to us at any time. We are continually in touch with him. We distribute literature to that office; we have it available there and he and his personnel are our contact people with the associations.

Hon. W. K. Warrender (Minister of Municipal Affairs): I was in Ontario House in London, I cannot give the exact proportion of time devoted particularly to travel and publicity, but I do know that a great deal of time is given to it through their officials in the front office. People come in, and there are tiers of pamphlets and booklets there, and if a person goes in and is interested in a certain part of Ontario, or is making general inquiries, they have the pamphlets there which they hand out to describe that particular area.

May I also say that under this new Ontario development association set-up, each of these associations is now preparing a large brochure, which sets out the merits of their particular areas. Those brochures are filed there, and a person interested could take one of those brochures and find out in a general way about the whole of one area. They do quite a fine job in that field.

Hon. L. M. Frost: (Prime Minister): I might also add to what my hon. friend has said in regard to Ontario House, and it might have reference to an aside made last night by my hon. friend from Bruce, who said that Ontario House was spending \$246,000—I think that was the amount—and was getting 5 industries. Now I would not want him to mislead himself, or get himself into any trouble, on that question.

May I point out that the \$246,000 that is spent in Ontario House covers very many things. Now there is the federal Department of Citizenship and Immigration, for instance, where people in the United Kingdom and indeed from the continent go if they want to come here.

There is a very great service there for placements in this country.

I think that it adds up this way, that it is a contribution to a selected type of immigration. People know that there are vacan-

cies for instance in certain things, like maybe school teaching or nursing or mechanical work, and the work of the Ontario House is a very great liaison in that regard.

It also makes a contribution in connection with such things as travel and publicity. Now that might be a comparatively minor part of their activity, but nevertheless it is an important part, so I point out that the whole work of Ontario House is not a matter of getting industry here into the province.

Mr. MacDonald: May I ask the hon. Prime Minister this question? If my memory serves me correctly—and I may be wrong in this—last summer, when the agent general was with us on the trip up north, I think he told me that some 17 of the staff of 38 were engaged fully, I assumed, in immigration work.

Now it strikes me that this is a pretty serious duplication of something that is basically a federal responsibility, and the reason for my question to the hon. Prime Minister is to find out what proportion of the work is on travel and publicity, because it seems to me that too much of the work over there is on immigration and duplicating what is a federal job.

Hon. Mr. Frost: I would reply to my hon. friend's question this way, that the subject of immigration is a divided one in The British North America Act, as is agriculture, and the matter is arguable.

In fact, it is more than arguable, it is the function of both the province and the federal authorities.

I took the position, some 8 or 9 years ago, that we should not embark provincially upon great and extensive matters relating to immigration here, and thus duplicate federal efforts.

Mr. MacDonald: Such as flying immigrants in?

Hon. Mr. Frost: Now that, of course, served its purpose in those days, but I do not think that there would be a place for a plan like that in 1958. The matter of flying immigrants over here was to meet a situation which existed a dozen years ago and it served its purpose.

When it came to be my duty to direct things, I thought that particular purpose had been served at that time, and we therefore eliminated as much as possible in the way of duplication.

I think that we eliminated all duplication. At that time, we were doing a great deal of X-ray work and other things in connection with the physical examination of people coming to this country, which was a highly important matter. But it seemed to me that we were doing work which other people should be doing. As a result, that work was assumed by the federal authorities, at least that is my recollection.

The work of Ontario House, with the 17 personnel which my hon. friend mentioned—which might be about half the personnel of Ontario House—really got down to the work of guidance for these people coming into our province, so that they would know about the conditions they were going to meet.

Nearly 5 years ago, at the time of the Coronation, I was there, and visited at Ontario House for some time. I was interested in the work they were doing, where a person interested in coming to Ontario with certain qualifications discussed the matter with people who were able to tell him what conditions he is likely to meet here.

That, I think, is not a duplication. It is a very necessary work. We have to remember that, from a standpoint of the federal authorities, their position is going to be this, of bringing people and facilities and movement of people into Canada. They, of course, are not going to get into the provincial matter.

Our attractions in relation to those of the various provinces, seems to result in the fact that we in Ontario are getting about half of the immigration coming into Canada.

Through Ontario House, we have been able to provide ways and means so that people could sit down and discuss things, and furthermore we have made it possible for industry to contact the people and interview people with an idea of making job placements in this country in fields where there is a shortage of skilled helpers and so on. That, I think, is the position of Ontario House.

Mr. G. C. Wardrope (Port Arthur): I would like to make a couple of observations on the tourist establishment part of the estimates. I want to congratulate the hon. Minister and his staff very highly for the job they are doing, and I am very pleased to see that the Opposition commenced their remarks this morning by congratulating the hon. Minister and saying how efficient he was and what a good job he had done, and I thoroughly agree.

Mr. MacDonald: He has joined the mutual admiration society.

Mr. Wardrope: Well, I agree with the hon. members that every one of the hon. Ministers in this government are doing a great job.

I do not think there is any doubt about it.

An hon. member: That is not what he said down at the committee.

Mr. MacDonald: Is he trying to get himself back into society?

Mr. Wardrope: I would say that the hon. Minister of Travel and Publicity is in the right position because he is so strong on good public relations. He meets people well. If any hon. members have noticed his picture in the publicity folders, and if he were an American of the opposite sex, and saw him, that person would want to come to Canada, figuring that all male Canadians looked like our hon. Minister. That is a prize picture of the hon. Minister and I congratulate him on it.

I also think that he is a great person. I call him the "Ontario Greeter." He is in the right job and is doing it amply.

Well, now we must remember, Mr. Chairman, it is a \$300 million tourist business in this province, and it a most important way of attracting American and foreign dollars to this province which is so badly in need of those dollars.

Mr. Thomas: And of the opposite sex.

Mr. Wardrope: And of the opposite sex, that is right. I am glad to see that my hon. friend's mind is centred on things soft and pleasant this morning, rather than harsh statements that he often makes.

I would tell the hon. member that, up in my area, most of the tourist resorts are at the moment owned 90 per cent. by United States citizens. The reason for that is this, that tourist operators in this province cannot find any avenue through which they can borrow money to improve their premises, and to make them attractive for winter occupation.

Mr. Thomas: We are in the same boat.

Mr. Wardrope: They borrow from their American guests, and that in turn is bad because the ownership then reverts to American authorities.

I believe that with our highway No. 17 being completed and that great Fort Frances causeway that the hon. member for Rainy River is so proud of being completed, we are going to see a tremendous new influx of tourist traffic through this province. We can see it developing. We can hear the conversa-

tion south of the border if we go down there. I hear them asking when that road is going to be finished and when we will be in a position to have tourist establishments which can properly look after them, and of which we will be proud.

That is going to take money, Mr. Chairman, and there has to be some way found, if it is at all possible, to see that these tourist operators can borrow money.

I know this that none of the mortgage companies, banks or the lending institutions will loan money to many of the tourist operators. Why, I cannot say, because they have a record of looking after their obligations and spending their money wisely and well.

I was wondering if some avenue could not be worked out similar to our municipal improvement corporation, whereby these men could obtain money to make these proper adjustments and enlargements, which are going to help us increase that total of \$300 million which we have already arrived at. That is one thing that I would like to see the committee or somebody give some very serious consideration to.

The second thing is the matter of liquor, and I am glad to be advised by the chairman of the liquor control board this morning that there is going to be a meeting with the different tourist associations to see if some more readily workable system can be found to look after the regulations in these tourist establishments.

Mr. MacDonald: To get rid of the boot-legging.

Mr. Wardrope: Well, perhaps the hon. member for York South is right. I often think that some of the regulations at the present time force these people to be in that category, against their will.

But I think those are two important things and I would like to see very serious thought given to them.

Now, in conclusion, again I congratulate the hon. Minister and his staff for the fine job he is doing and I hope that he will seriously consider these possible improvements that I have mentioned.

Mr. MacDonald: More sex appeal in Know Ontario Better.

Mr. A. J. Reaume (Essex North): Mr. Chairman, I wanted to ask one thing. Up in Sarnia, a very beautiful place, of course, as one is coming over the bridge, he will immediately see a nice building there. It was built by the people of the province and

I think it is something we ought to have in every place of entry. After all, Sarnia is just one place in the province.

Indeed, I think probably Windsor has about twice as many people coming over as they do there, and yet when one comes over our bridge in Windsor, or the tunnel, he sees a couple of old frame buildings that would be more suitable for keeping pigs in than it would for advertising our part of the province.

I am just wondering if the department is ever going to do anything at that port of entry? After all, there are more people who enter at the port of Windsor than there are, as I understand it, at all of the other ports of entry combined. Yet—well, who is smiling now?

The department has a couple of places up there, one at the tunnel and one at the bridge. They are nothing but second-hand, dilapidated old places run down. Now, would it not be proper and feasible—and I think equitable—that at the most important entry of people coming from the United States into Canada, the department should have a respectable looking place? Yet neither of the places are any good.

The question is this, when is the hon. Minister going to do something about it?

Mr. W. Murdoch (Essex South): Mr. Chairman—

Mr. Reaume: No, I asked the hon. Minister.

Mr. Murdoch: All right.

Hon. Mr. Cathcart: Now this particular hon. member who has just been speaking comes from Essex North. In the first place, he and I had a little chat about this, and I explained pretty well what the situation was. A very nice reception centre, probably the best in all of North America, is situated at Point Edward.

Mr. Reaume: Oh, Point Edward, I am sorry.

Hon. Mr. Cathcart: That is where the tourist crosses the blue water bridge. That information bureau was built before my time. Please do not leave the inference in the House that it was built since I came in as the Minister of this department.

Mr. Reaume: Oh, I do not care who built it.

Hon. Mr. Cathcart: For the hon. member's information, it was built some years before I was the Minister, may I take the credit for that—

Mr. Reaume: I think he could—

Hon. Mr. Cathcart: I bent my efforts, realizing the importance of the tourist business, the tourist industry to Ontario and to our area.

I have lived adjacent to the border line most of my life, and I can well recall the tourists of the old days when only the fellow with the silk hat and cane could afford to have a vacation. He came over and spent a month or two, and he had plenty of money to pay his way.

Conditions have changed, and most of us now can enjoy a vacation and look forward to it. I just mention that to say that I always appreciated the value of the influx of our visitors to Ontario, and I spent a lot of time in order to get that because we have a beautiful, as the hon. member will agree, location for it. The government owned the property so we had no problem there whatsoever. It was a matter of working on The Department of Travel and Publicity and The Department of Public Works to win their approval and that was an example of the kind of reception centre that I feel we should have located at every entry point.

Windsor, at the moment, is one place that is being given very serious consideration. The hon. member may have noticed, in the *Windsor Daily Star*, the announcement that it is possible that his building may be constructed during this coming summer. The problem, of course, is to get the proper location. He has been blessed over these past years with at least two reception centres, one at the bridge and one at the tunnel.

Mr. Reaume: They are a couple of old barns, that is what they are.

Hon. Mr. Cathcart: At the Point Edward-Sarnia entrance, just in order to let our hon. members know the facts, we do and have enjoyed over the past number of years—and that was previous to the building of the present reception centre—the largest registration of visitors crossing into Ontario over any other centre. Let the hon. member get this straight—registrations, I am not talking about the people passing back and forth.

Mr. Reaume: Well, I am not talking about people—

Hon. Mr. Cathcart: Well, these are people.

Mr. Reaume: I know, but I say—

Hon. Mr. Cathcart: They come in and write their names—

Mr. Reaume: That does not mean anything.

Hon. Mr. Cathcart: Well, any time I sign my name it has meant something, I will tell the hon. member that, particularly on cheques—

Mr. Reaume: I am talking about people coming back and forth.

Hon. Mr. Cathcart: To satisfy the hon. member, and to answer what he has said, the information bureau over at the bridge entry will be moved back from where it is presently located. It will be properly landscaped and beautified, and I am sure it will present a very nice picture when that work is done this spring.

Serious consideration is being given to an Ontario building in Windsor which would house not only the reception centre or the information bureau, at the front, but the other Ontario office.

Mr. Reaume: I thank the hon. Minister very much, that is fine.

Mr. G. Innes (Oxford): Could the hon. Minister tell me how many inspectors and tourist establishments they have in his department, and how often they inspect these tourist establishments?

Mr. Murdoch: Well, Mr. Chairman, I would like to dispel the impression that is being created by the hon. member for Essex North that the two tourist reception buildings in the city of Windsor are—as he says—not fit for pigs to be in. I would like to dispel that entirely, because the two buildings are very well built and are respectable. They are well appointed and equipped with a good staff. They have all the literature and information that the tourist wants, and serve a very useful purpose.

As a matter of fact, they were the first two constructed and put into operation, I believe, in the province of Ontario. Since that time newer buildings have been built.

But, Mr. Chairman, I would like to point out that I think that one of the great jobs of the department is the liaison and the assistance it gives to the various tourist organizations and agencies throughout the province, and particularly to the Essex county tourist association, which is a very live organization.

I might point out that the United States visitors who entered Canada through Essex county at various points last year amounted to 4,922,311 people. This is indeed a lot of visitors.

Now the board of directors of the Essex county tourist association has just concluded

an agreement with the department of business administration, of Assumption University of Windsor, for a survey of the visitor industry in Essex county to be made in 1959, and preparations are already under way.

The senior students of the 1958-1959 class in marketing research will conduct this survey and, as I say, details of procedure for the survey are being discussed at the present time.

One of the purposes of this survey will be the determination of capital investment in facilities catering to the tourist trade and the degree of service given. It will show what this total investment means in assessment taxation and employment, and how much is spent in Essex county by the average visitor.

Also, as to what the visitors expect to find there, it will show what we do not actually have, in meeting these expectations, and perhaps we could provide in the way of beaches, parks, recreational facilities and so forth.

So the whole purpose of this survey is to put the visitor industry through a clinic, to find out its present state of health, and what is needed to cure any deficiencies in nutrition, or correct any organic troubles. Perhaps it is not receiving sufficient promotion to bring more people into Essex county, or the framework of the general facilities here is defective in Essex county in some respects.

I just wanted to point out this matter to the hon. members that I think that the work which the department—the hon. Minister and his officials—does with the various organizations on the local level is really excellent, and I think that this is where a lot of the work can be done in the promotion of the tourist industry.

Vote 2,102 agreed to.

On vote 2,103:

Mr. Thomas: On item No. 4, the administration and enforcement of The Tourist Establishments Act and The Department of Travel and Publicity Act.

This year, the appropriation is up I think some \$1,000. In 1957, the appropriation was the same \$12,000 but I see in the public accounts that the department expended only \$5,656, leaving an unexpended total of \$6,343. Now, as the appropriation last year was for the same amount, \$12,000, how much did the hon. Minister spend out of that last year?

Hon. Mr. Cathcart: I am told that there is an expansion programme taking place in that particular department. The development branch will be putting out a booklet of their own this year, which they did not do last year, plus the fact that we will have costs as a result of the licencing of the tourist outfitters which in the past we used to just inspect. We will also licence them this year, which will add to our administration costs.

Mr. Thomas: Further to that, the appropriation last year was \$12,000. How much did the hon. Minister spend of that, and how much is still unexpended?

Hon. Mr. Cathcart: I am told about \$10,000 of the appropriation.

My hon. friend for Oxford has asked me a question, and everybody else has been getting in. I think one of the questions was—how many inspectors? We have 16 permanent inspectors full-time. We take on 12 additional in the summer, and these inspectors inspect each operation at least once a year. But where we receive individual complaints or from an association in regard to any operation, the inspector then is put on the track of that, and pays a personal visit as well, and takes care of that complaint.

Mr. Innes: Well, the reason I asked is that there are bound to be some conclusions all the time. I think it is essential that we try to force the sanitary conditions as much as we can in these tourist establishments. I know there are some that are 100 per cent. sanitary and I just wondered how many rechecks do they come back on, on complaints or otherwise?

Might I put it this way, how many have been rejected last year?

Hon. Mr. Cathcart: The hon. member is perfectly right about a few being not 100 per cent. sanitary. But by far the greater majority of greater operations are on a very high level, and it is those others that the inspectors spend some time with. I know each year we refuse a certain number—

Mr. Innes: Does the hon. Minister know how many last year?

Hon. Mr. Cathcart: Last year, 30 licences were refused, one licence was suspended, one was cancelled, and 22 licences were re-issued that had been previously refused, suspended or cancelled. No prosecutions were undertaken by this department against operators in 1957.

Votes 2,103 to 2,105, inclusive, agreed to.

Mr. Thomas: Mr. Chairman, before the vote is finally approved, I was interested in the remarks of the hon. Minister in respect to the low-rental housing project in Sarnia. I am just seeking information on this.

He stated that there were 500 now occupied, and the question I would like to direct to the hon. Minister is this, how are the tenants selected and what is the monthly rental of them?

Hon. Mr. Cathcart: I would not have those figures available. All I want to say is approximately 500 have been or are occupied, and it is a very happy situation that exists there, because these people residing there have no fear of future additional taxes. I often take my visitors out there. The hon. member can stop at any one of the homes, go in, and shake hands with them, and he will find happy people living in those surroundings.

Mr. Thomas: I am aware of that, but the hon. Minister does not know the rentals charged.

Hon. Mr. Cathcart: No.

Hon. Mr. Frost: They must be happy about them though.

On vote 2,106

Mr. R. Gisborn (Wentworth East): I would like to refer just a moment to the Stoney Creek women's historical association. Their association has, under their charge, the grounds and buildings of the Stoney Creek battlefield, and they are highly concerned with the proposed subdividing of some properties immediately to the west of their grounds.

I do not know if this is in the jurisdiction of the provincial government, but I understand they were going to approach The Department of Travel and Publicity in regards to some assistance in obtaining this piece of property to be added to their charts. Has the hon. Minister any information in that regard?

Hon. Mr. Cathcart: I have not heard anything about it.

Hon. Mr. Frost: In response to what my hon. friend says, the Stoney Creek battlefield memorial park is a very interesting place. I think it is a federal park, owned by the battlefields commission which is an emanation of the federal government.

Actually speaking, it is away from the general run of traffic but it is very well worthwhile going to see. The old original house is there as it was in 1812, and I would be very sympathetic toward doing anything

that we can provincially to preserve that area and that park.

Mr. MacDonald: The hon. Prime Minister just has to watch that we do not run a speedway through it.

Hon. Mr. Frost: Well, I do not think we should. If there is going to be a speedway around here, I think it is going to miss that battlefield and that park by all means.

Mr. MacDonald: I thought the problem was closer to home.

Hon. Mr. Frost: What does the hon. member mean by "closer to home"?

Hon. Mr. Warrender: I was born in little old Stoney Creek, and I know something of this situation.

The fact is that some subdividers, as the hon. member for Wentworth East said, tried to buy the property which lies immediately to the west of the monument.

It was discussed by the Wentworth suburban planning board, and they decided that it would be unwise to let this development go on, and that they should preserve that historical site and I agree with that.

Furthermore, they finally got the city of Hamilton interested in it, and the city of Hamilton said in effect that they, too, were opposed to this development.

I got in touch with Mrs. Krierer who is the president of the Wentworth historical society, and she said that they do have some grant made years ago, by some lady, and they do have control of the maintenance of that area. They were opposed to this development, too.

It was suggested that an appeal should be made to the federal hon. Minister—I just forget under whom this comes down in Ottawa—to have the whole area declared a national site. When I asked Mrs. Krierer about it, her answer was: "We wish it to remain as it is under our maintenance and care. We think we are doing a good job."

I wanted to assure the hon. member that, so far as the subdivision is concerned, I have heard that that is definitely off, and that attempts are being made to have that area, where they proposed to subdivide, added to the Stoney Creek historical site.

Furthermore, the local people—that is the Stoney Creek council—are doing their best to popularize this place, and it is hoped by appropriate signs to get United States citizens who are interested in the famous battle of, I think it was June 6, 1813, that

the famous battle of Stoney Creek took place, to come into that area and to view the spot. May I say this, that I think unfortunately they have started a little too late in some respects because, as the hon. member knows, immediately to the east of the monument there has been permitted a development. Some of the houses are very close to this area, and it is most unfortunate.

The only way that could be overcome is by getting enough money to buy out those places and broaden out the part to the east, which I think some day should be done.

Mr. Noden: Mr. Chairman, I would like to make a comment in connection with this section. I think it is very important, and I know that the hon. Minister is much interested in this matter. When the archaeology and historical board was originated under The Department of Education, in our area at that time we assembled, or had created, a stone cairn commemorating the Athabaska House or Fort Lac La Pluie, which was the turning point in the trade between the east and west.

Perhaps the hon. member for Port Arthur will say that Prince Arthur landing was that point. But, at the same time, we could say that Grand Portage also had that very same distinction.

I would like to say that there has been a little controversy between the hon. member for Muskoka (Mr. Boyer) as to which was the first historical plaque unveiled in the province, and he made the statement that the hon. Prime Minister unveiled the one in his area. Of course the present hon. Minister unveiled the one in our area previous to that. It is a good thing that we are far apart.

I would like to further comment on a book that was sent out, I imagine, to every hon. member of this House by the hon. Prime Minister and which was compiled by the government in co-operation with the Champlain society, sponsoring a series of documentary facts of early history of Ontario.

I think it is a wonderful work, and that it should be continued by this department, because as we move along day by day, and year by year, we are apt to forget the historical facts pertaining to our province.

It is very important that the hon. Minister of Travel and Publicity should be erecting plaques here and there, keeping this ever before us, because I think a great many people today are interested in this form of our society.

One has only to think of the write-ups that have taken place about old Fort York down here, and only yesterday the hon. Prime Minister and the hon. Minister of Education presented a scroll to a former member who was in this House in 1911, who is now in the city. This gentleman is responsible, I would say, for the building, or having the building of the present road system set up within the Rainy River district, which at that time was used for the taking out of timber. Today it is the agricultural area of our district.

The facts of that time can be incorporated in a book and can be kept track of.

I might tell hon. members I have read this book, *Valley of the Trent*, because I was interested in it. I read it from the front page to the last. There may be only a few who will want to do that, but, after all, that book is there for those who want to look back over the history of this grand old province. As someone has said, the history of the people makes a nation.

Mr. R. J. Boyer (Muskoka): I would very much like to congratulate the hon. Minister upon making the historical branch a separate branch of his department because that work is very important indeed.

The hon. member for Rainy River said that he and I were far apart. But I think he meant our constituencies are far apart. He and I are not far apart on anything. We are not going to argue about a plaque.

But, Mr. Chairman, my purpose in rising is to refer not particularly to the plaques, although we hope that we are going to have one this year to commemorate the 100th anniversary of the building of the first Muskoka road from Washago to Gravenhurst. This route is very largely still in use as part of the great north highway No. 11.

But I would like to refer to this particular vote, which amounts to about \$80,000. It represents part of the great increase in the total estimates for The Department of Travel and Publicity this year. That increase has been noted by those who, in all parts of the province, are interested in the tourist business.

I am glad to say that I find, in reading newspapers from all areas, that there is more than ever before a recognition of the value of the tourist business. I say that the recognition by the government of this matter, reflected in the increased departmental estimate of this year, is another indication of the great faith in the future of Ontario shown by the Frost administration.

Mr. Oliver: I am just going to say, Mr. Chairman, that I find myself wondering why we cannot get all the votes for historical sites under one department.

Hon. Mr. Frost: I think we are.

Mr. Oliver: Well, is not the vote for the historical sites and monuments under the Treasury?

Hon. Mr. Frost: I think that is the publication, not The Treasury Department.

Mr. Oliver: Well, my information is that the vote for historical sites and monuments is still under Treasury for \$25,000. There is a vote for the Champlain society under The Department of Education for \$5,000. When we have a department such as The Department of Travel and Publicity, we would be wise to have all these votes under one department. What is the reason they are distributed around amongst several departments?

Hon. Mr. Frost: I think that will be done. As a matter of fact, we have to develop this matter actually from scratch. I think there is much to say in transferring the matter generally to The Department of Travel and Publicity. No doubt that will come about. We have approached this matter from several different points of view. The Department of Education, for instance, in the first days had charge of the archaeological sites.

Mr. Oliver: Now, has that been transferred to The Department of Travel and Publicity?

Hon. Mr. Frost: Well, in main it has been transferred to The Department of Travel and Publicity, but in the meantime The Department of Education has the archives department, which is under Dr. Sprague, which may be the proper place for it.

The development of these publications for the Champlain society was something which came about when I was the Provincial Treasurer and it remained there. It might be well some of these days to consolidate these mat-

ters, but in the meantime they are going along and I can assure my hon. friend that it has been with some difficulty that these things have been developed.

It has been because of the interest of various persons and various departments, and I admit that perhaps the estimates are somewhat spread out. Perhaps it would be well to consolidate them some time in one place.

Hon. Mr. Cathcart: I might say for the benefit of the House, Mr. Chairman, that over and above the establishment of the plaques that is going on, the unveiling which we encourage and the interest in the local area, they do a lot of the ground work.

We are also providing a library, as we might use that word, with information having to do with each historical plaque. For instance, the inscription may be limited to some 30 odd words—that is just as many as we can get on. I find that the branch over there has many, many inquiries from people. As soon as an historical plaque is erected, letters are received which give us some more information on this, so we are setting up what might we classify as a library with a little more lengthy story on that particular plaque or historical site. We also want to be able to tell that individual or person where they can obtain what books they might require to get more information on it. The library record will be as important as the plaque itself.

Vote 2,106 agreed to.

Hon. Mr. Frost: Mr. Chairman, I move the committee rise and report certain resolutions.

Motion agreed to. The House resumed; Mr. Speaker in the chair.

Mr. Chairman: The committee of supply begs leave to report certain resolutions and begs leave to sit again.

Report agreed to.

It being 12.45 of the clock p.m., the House took recess.





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Friday, March 21, 1958

Afternoon Session

Speaker: Honourable The Rev. A. W. Downer

Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, MARCH 21, 1958

2 O'CLOCK P.M.

The House resumed.

Hon. J. N. Allan (Minister of Highways): Mr. Speaker, I would like to know if the House would revert to the order of introduction of bills.

Mr. Speaker: Introduction of bills.

THE TRAVELLING SHOWS ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to repeal The Travelling Shows Act."

Motion agreed to; first reading of the bill.

He said: The purpose of this bill is to simply repeal The Travelling Shows Act, leaving the field open to a municipal administration under The Municipal Act.

The reasons are that the province is not in a position to give the service of inspection that should be given for the safety of the public. Municipalities are requesting regulations that would require carnival shows to carry public liability insurance as a mandatory condition for receiving a licence, and municipalities, being closer to the operation of these shows, would be in a better position to licence them, inspect them, and give the service to the public that they are requesting.

Section 413, paragraph 5, of The Municipal Act permits municipalities to pass by-laws and to licence travelling shows.

THE LOAN AND TRUST CORPORATIONS ACT

Hon. Mr. Roberts moves second reading of Bill No. 177, "An Act to amend The Loan and Trust Corporations Act."

He said: Mr. Speaker, I see the hon. member for Waterloo North (Mr. Wintermeyer) is not in his seat, but I would like to give an explanation for the records, and he may be particularly interested in it.

The purpose of section 136 of the Act is to replace certain restrictions on the investment powers of trust companies and loan corporations. The restrictions are designed to prevent too great a portion of the com-

panies' assets being invested in any one security of a company, or in several securities of one company. In other words, from putting all their eggs in one basket.

In the opening words of clause A of the section, hon. members will notice there is no restriction on investments and securities issued or guaranteed by the government of Canada, or any province of Canada, or any municipal corporation of Ontario.

Subclauses 1 and 2 are the same as the present law, and provide that the maximum amount the trust company or loan corporation can invest in any one security of a company, or in several securities of one company, is 50 per cent. of its own paid-in capital stock in reserve.

Subclause 3 is new, and its purpose is to enable a trust company or a loan corporation to invest in short-term securities maturing in one year or less with certain limitations. The first limitation is that the maximum amount that may be invested in these short-term securities is 20 per cent. of the paid-in capital and reserve.

The assets of a trust company or loan corporation are approximately 10 times its capital in reserve, so that the 20 per cent. represents about one-fiftieth of the assets of the company.

Then, in the case of trust companies, there is an additional 5 per cent. of its monies received as deposits for guaranteed investments that may be invested in short-term securities, and in the case of loan corporations an additional 5 per cent. of its monies are borrowed on debentures and by way of deposits. This makes a maximum for investments in short-term securities 20 per cent. and 5 per cent., as I have indicated.

Then there is a further restriction on the trust companies and loan corporations, if they already hold long-term securities maturing in one year or more of the company whose short-term securities they wish to purchase. In this case the maximum of 20 per cent. and 5 per cent. must be reduced by the percentage that has been invested in long-term security.

For example, a trust company has 15 per cent. of its paid-up capital and reserve invested in several long-term securities of one company and, wishing to invest under the

new short-term security clause, it decides to invest in the short-term securities of the same companies in which it has 15 per cent. invested. Therefore, the amount the trust company can invest in short-term securities is the difference between the 20 per cent. and 5 per cent. and the 15 per cent. or a maximum 10 per cent. Of course, if the trust company desires to invest in short-term securities of a company in which it holds no long-term securities it may invest up to the maximum of 20 per cent. and 5 per cent.

Now I might say, Mr. Speaker, that there are a few Ontario companies under this Act that at the present time are not able to do legally that type of short-term investing while their counterparts who hold licences to do business in this province are in that same field, and it seems only fair and reasonable that our own companies should have the same rights as other similar companies operating in Ontario.

Motion agreed to; second reading of the bill.

THE MUNICIPALITY OF METROPOLITAN TORONTO ACT, 1953

Hon. W. K. Warrender moves second reading of Bill No. 174, "An Act to amend The Municipality of Metropolitan Toronto Act, 1953."

Mr. F. R. Oliver (Leader of the Opposition): Is this bill going to committee on municipal law, or just what is the hurry?

Hon. Mr. Allan: Yes, I might explain that we are anxious to advance this bill so that it may go to the municipal law committee on Monday.

Mr. Oliver: Does the government intend to have many more bills?

Hon. Mr. Allan: No, just one more for the same reason—The Pipe Lines Act, 1958.

Motion agreed to; second reading of the bill.

THE PIPE LINES ACT, 1958

Hon. J. W. Spooner moves second reading of Bill No. 182, "The Pipe Lines Act, 1958."

Mr. H. C. Nixon (Brant): Did I understand the hon. Minister to say, when he introduced the bill, that this extends the powers of expropriation to pipe lines for oil services?

Hon. J. W. Spooner (Minister of Mines): Mr. Speaker, I did not say that this new bill extended the powers of expropriation. It proposes to deal with them in a different manner, and also to provide for a new method of dealing with the question of compensation and damages.

This bill will go to the mining committee on Monday morning, and it will be distributed to hon. members in a very few minutes.

Now I would appreciate it if hon. members would give this bill as much consideration as they possibly can, because it is very important legislation, and we would like to have the guidance of hon. members' advice in dealing with it in committee.

Mr. Nixon: Well, the hon. Minister has not exactly answered my question. My recollection is that oil companies building pipe lines for the conveyance of their products—oils of various kinds—have never, up to now, had powers of expropriation. Now I have not seen this bill, of course, Mr. Speaker, but under this bill, will those pipe lines companies have power of expropriation?

Hon. Mr. Spooner: Mr. Speaker, may I refer back to the Act which this bill replaces, or will replace?

When a corporation had received a certificate from the fuel board, and when a certificate of "public convenience and necessity" had been issued by the board, it is my understanding that then the corporation could enter upon lands to make surveys, could acquire by purchase, lease, expropriation or otherwise, and hold off and from, any person, any lands or other property. The principle of expropriation was there before.

We have in this new bill established a new method of dealing with the matter of damages, and we are also providing for approved easements agreements and many other conditions that we will be glad to explain to the committee in full and complete detail, paragraph by paragraph.

Motion agreed to; second reading of the bill.

Hon. Mr. Allan: Mr. Speaker, if the hon. members of the Opposition would have no objection, we might have second reading of orders 60 and 61 which are routine.

Mr. Speaker, I would like at this time to table a report on the diesel fuel tax in Ontario, and may I say just a word of explanation concerning this study.

It is a study that was conducted by the Ontario research foundation in co-operation

with operators of diesel trucks and diesel buses. The purpose of the study was to endeavour to arrive at a tax on diesel fuel which would bring to The Treasury Department, for the revenue of this province, the same amount of money that would come from the gasoline tax for a similar vehicle. This report covers details of these studies.

Inspectors from The Department of Transport rode with the operators of the trucks, and made notes of the consumption of fuel—and a study of quite some detail was conducted and, as a result, a recommendation as to the proper tax on diesel fuel is presented, having in mind that it would bring the same revenue for the use of the highways with a diesel-powered vehicle as would arise from the gasoline-powered vehicle.

Mr. Oliver: Might I ask my hon. friend what is the comparable figure?

Hon. Mr. Allan: It is 18.5 cents per gallon. These reports will be distributed to hon. members of the House.

I move Mr. Speaker do now leave the chair, and the House resolves itself into committee of supply.

Motion agreed to.

ON THE BUDGET

Mr. D. M. Kerr (Dovercourt): Mr. Speaker, may I join with those who have already done so in expressing to you my congratulations and commendation for your actions in the chair and in your office as Speaker.

In rising to take part in this debate on the budget, I want to pay a particular compliment to the hon. Provincial Treasurer, the hon. Prime Minister (Mr. Frost), in presenting this budget.

Unless hon. members should get the idea that I am going to talk about something of which I know nothing, my next remarks will be along the line of agriculture. It is customary in good farming that certain fields in rotation should lie fallow, in other words they should not be used for cropping during a particular year.

The result of that fallow process means that we have, when the field is brought into production again, a greater abundance of crop and less weeds, and the laying aside for 3 years of the hon. Provincial Treasurer of this province in fallow assured itself in the presentation of this budget.

We had presented to us in his clear, distinct and understudying terms what a budget

really means. The hand has not lost any of its skill nor has he, in 3 years' rest, lost any of his ideals in presenting a budget to this House and to this province.

Taking the last statement of his budget address and his quotation from the Holy Writ:

For the Lord thy God brought thee into a good land, a land whose stones are iron and out of whose hills thou mayest dig brass,

such may be said without fear of contradiction about this wonderful province of ours.

The budget dealt with 3 services: education, highways and health, with emphasis upon each one of them, and the total expenditure for these 3 services amounted to two-thirds of the revenue of this province.

Might I speak about two particularly—the first and the last—education and health.

In his budget address the hon. Provincial Treasurer states, and I quote:

Whether the child comes from the farm or the city, from a wealthy residential district or a relatively poor one, he has an opportunity of developing his talents to the fullest extent of his ability.

This, I may say, is the foundation stone upon which good government is built. The province has always sought to foster standards of education that make the most efficient use of the intellectual resources and potentialities of her people.

The aim of this administration has been, and will continue to be, the greatest good for the greatest number of people of this province, and as we watch year after year the development of the different pieces of legislation, one can see that it is not for one particular class or any one particular condition of people, but for the whole good of the whole province.

In regard to taxation and the administration of this province, particularly in our grants to municipalities, I am going to take two examples to illustrate what this government has done. First of all, I take a fairly prosperous little town known as Renfrew. I am sorry that the hon. member for Renfrew South (Mr. Maloney) is not here, but in slicing their tax rate this year, they not only did not have to increase their tax rate but they had a substantial balance on hand from last year to be applied to this year's expenditure.

Now we go to the other extreme, a large city that is industrial, the city of Kitchener, and I quote from a newspaper dated March 17, Kitchener:

City council tonight set its 1958 tax rate at 46 mills for residential assessment and 49.5 mills for business, industrial and commercial purposes. It was the first time since 1943 that Kitchener did not increase its mill rate and in doing so, council set aside \$125,000 for reserves.

That is the result of the policies of the present government.

Let me also say that I have raised my voice in this House, time and time again, as the records will show, asking for something to be done on the provincial level as well as the federal level for those citizens of ours who are less fortunate than the rest, the elder citizens, to be precise. While the then government in Ottawa seemed deaf to the cry and the need of these particular citizens, this government made it possible to increase old age assistance to the extent of \$20.

Then, lo and behold, last June 10 there came a bit of sunshine down on Ottawa, and with that sunshine there came relief to these elderly citizens, not enough just yet, but at least a step in the right direction, and this government made it possible that no one had to wait for months for the increase to be granted. The Department of Public Welfare was ready at a moment's notice to increase their share to those receiving aid to equal that of Ottawa. We have time and time again given to Ottawa an example that they should, if they would follow it, make a better Canada.

May I just digress for a moment and go back to something that happened earlier in this session? May I go back even a little further? When I came into this House first in 1951, the then chairman of the Hydro commission was making weekly broadcasts to the people of Ontario in regard to Hydro.

I do not know what it is that is in the Opposition, but as soon as the public official gets onto the air to make a report about anything, there has to be some criticism about it. But I can remember the late Bob Saunders being criticized by the Opposition in this House and the question was asked as to who paid for those broadcasts, why they were being made, why they were being used for political purposes, and all the rest. Alas and alack, history repeated itself this year when the present chairman happened to be speaking

at a club of which I am a member. He was broadcasting at the club the speech he was making in regards to the trip to England. I wonder if history will continue to repeat itself and if we will get the same old story every time this public official speaks in public. It seems to matter not so much what an official may do, and what contribution he may make, providing he keeps quiet about it and no one else says anything.

In answer to the criticism of the hon. members of the Opposition in regard to The Department of Education and the educational policy of this government, may I distinctly say that it is my conviction that there is nothing wrong with our educational system as it is. What is wrong is the soft society in which that system has to operate. When one considers that the population of this province has increased within the past year by 210,000, and that the school population since 1945 has increased over 100 per cent., it becomes obvious that the problem of education in this province has been growing greater and greater every year.

The government believes, and The Department of Education believes, that our schools should prepare young people for earning a living by developing their character, nourishing their intelligence, and passing on to them the cultural traditions of the community. That in itself is a large task.

Every boy and every girl in our province, with the ability to profit from a university education, should be given that opportunity. That has been implemented with the loan system that has been pursued by the hon. Minister, and Canada needs every one of these young people to make their contribution in this great land of ours.

But let me say that there is a responsibility outside of education and that responsibility lies with industry. Industry should recognize education as essential to them and to Canada; this must be emphasized. Support for education from industry is not a charity, but should be considered as a necessary expense of that industry if industry is to grow and to be in business a generation from now. It is expected that industry should not only recognize education as necessary to growth, but should be interested enough to support education financially.

The university graduate represents an investment of \$25,000 to \$50,000. Should industry expect to take this investment, the graduate, and pay only a monthly salary for his services? Graduates in all fields are needed. The University of Toronto just recently had to announce to one of its faculties that a

certain day would be set apart—not only to the faculty but to the industry—one day only to interview would-be graduates that they were interested in.

I am happy to say that some industries do recognize their responsibility along this particular line. I am thinking of the Union Carbide Company Limited who have 60 students at 19 universities and 8 post-graduate students, all are receiving from them a yearly bonus or bursary of \$500, and in the post-graduate course a bursary or scholarship of \$1,500. The total programme is costing the firm \$50,000 annually, to help graduates in our universities.

International Nickel spend in Canada, in scholarships and bursaries, \$2.5 million annually.

A special one, as far as I am concerned, is the Copp Clark Publishing Company, who have a scholarship fund of \$5,000 which is applied particularly to the teaching profession that teachers may be trained more efficiently and without the worry of finance.

It is a source of some satisfaction to realize that there is an interest being taken in our teachers and the remuneration that is being paid to them, and a scholarship fund such as the Copp Clark Company has set up could well be duplicated by other funds.

I am fully aware of the work of the Atkinson foundation and the Bickle foundation, along with the many schemes worked out by the various boards of education, where scholarships and bursaries go a long way to help our young people in this vast field.

But may I say that we have a long, long way to go. Recent statistics show that in the British Isles about 70 per cent. of the students attending university do so on scholarships or bursaries, while here only 15 per cent. receive such help.

There is one group, one organization, which is seldom if ever mentioned and yet has done much for education in the past, and can do a great deal more in the future, because of the needs of the pupil as well as the needs of the school. That organization is the home and school federation. Here we have an organization with admirable policies and the loftiest ideals of service, having a relationship with the school that is not anywhere duplicated. It is a well-managed organization existing only to serve the children who come from their homes to the schools. Too often we fail to give them the recognition they need.

Might I pay a tribute to the unselfish work of the teachers, particularly the teachers among our ethnic groups who attend and

work in our night schools and I have many of them living in my riding.

These ethnic groups are the people who are going to make a contribution to the Canada of tomorrow. From every country in the world, they bring their culture and their skills, and these cultures and skills enrich our culture, and make us richer because they are here. One of our greatest assets, in my opinion, is that we are able in this province of ours to take these people and absorb them into our way of living, enriching ourselves and enriching our land.

And may I say that there are many of them residing in the riding of Dovercourt. Living in the midst of them, I can say without contradiction that they are fitting into our way of life as good citizens and will and are at the present time, making their contribution to our Canada.

Turning to the matter of health and human betterment, I need hardly say anything about the introduction of the hospital insurance plan that has been presented at this session of the House. But there are two items which I would like to mention.

One of them has been mentioned before, by the hon. Provincial Treasurer. In yesterday's paper we have an artists's sketch of the new dental building to be built in the University of Toronto. This building will be ready by 1959, a building that is to cost in the vicinity of \$7 million or \$6 million, and the hon. Provincial Treasurer tells us that, when it is opened, it will be paid for and complete.

The other matter, in regard to health, is the progress that has been made within this last two to three years by The Department of Health and by the various hospitals in establishing eye banks for the cornea operation that means so much to people who are blind. There has been a slow but nevertheless steady progress on the part of those interested, and at the present time we have these eye banks all over our country, and particularly in this province and this city where hope is held out for those who are deprived of the great sight that God intended we should have.

It is estimated, in The Department of Health and The Department of Public Welfare, that the majority of today's population will live longer than did our grandparents. It is figured that in 1970, 10 per cent. of our population will be over 65 years of age. We hear so often about a person being "too old at 40," and where there is a maximum age restriction of 65 years in most

fields of employment, something ought to be done.

The Deputy Minister of Welfare, Mr. Band, has made a suggestion that deserves consideration by all right-thinking people. It is this: That a subsidy should be paid to employers of persons over 65 years of age. Our present economy, with the concept of a man being through working at 65, is forcing people into retirement, and it is a very unwise one. They could be continued in a useful contribution to our economy.

In the field of nursing and homemaking care, an innovation has been brought forward under The Department of Health, and in this we will be looking forward with interest to the opportunity of seeing at work these home care nurses going in and out, alleviating the pain and suffering and tensions, something that is so much needed in a day and generation such as this.

Mr. Speaker, we have a great province; in the people of this province we have a great potential for tomorrow. By proper guidance, wise administration and an enlightened population, we can go forward to greater and better things.

Mr. R. Gisborn (Wentworth East): Mr. Speaker, in saying a few words to the hon. members of the House this afternoon, I would first take the opportunity to add my congratulations to those of the many bestowed upon the Speaker of the House.

Now, Mr. Speaker, it has been suggested or stated more than once in the House that the CCF has assumed the role of the official spokesman for the trade union movement, and many times we have said that is not the case. We are interested in the welfare of all citizens of this province, and accept their responsibility in that regard.

But as an active trade unionist and an executive officer of one of the largest single local unions in Canada, I feel this afternoon I should say a few words on their behalf, and I may stray afield somewhat from what we term the budget speech, or the province of Ontario, but I feel that has been done more than once and that I will not be too far out of order.

I would just like to say a brief word in regard to the unemployment situation. I am not going to play ping-pong with figures, as has been done up to now to sort of cloud the issue, because I do not care whether it is 800,000 who are out of work, 500,000, 2,000 or 10,000, I feel there is no justification for people not having jobs if they are able and willing to work.

The destiny of people in industry, and in factories, depends on their ability to earn, they have not too much to say about whether they have a job or not. They are hired on and are laid off in the same fashion.

I think the comments from government leaders such as "I am sick and tired of hearing about unemployment" and that we should not speak about it, are very unbecoming to leaders of government. I think it is the responsibility of all levels of government to be fully interested in the unemployed. It is their right to have jobs, and we should not deprive them of their right. If they are willing to work, we should be able to find jobs for them.

Now I want to refer to the speech of the hon. member for Riverdale (Mr. Macaulay) because in some way my remarks are centred around it. I want to congratulate him on the good speech he made; it dealt in generalities, of course, and was without very many facts or figures to substantiate some of his reasoning. I want to end up this afternoon in giving a few facts and figures in regards to wages and productivity.

The hon. member for Riverdale, in giving his second reason for the cause of unemployment, said this—

There was a second cause and this, Mr. Speaker, was the most direct of them all, and it lies at the feet of management and labour.

For years, labour has demanded increased wages of management, and management has paid them irrespective of whether it was brought on because of increased production, or because competition in the world or in the nation justified it. Labour demanded increased wages on this basis. Why not? If management can find a way to slough them off and pay them, it is up to management.

And management did find a way, it poured it into the increased cost of goods. Now the situation has backfired because management and labour together have priced many of our goods out of our own market, and out of the foreign market. We cannot develop trade unless we have buyers.

That is a pretty general statement and many are using that statement, but I never heard anyone yet say when the proper time is for labour to ask for a wage increase. To sort of bring that point, I want to read just a paragraph from a very worthy document, and I would ask the hon. members of the House

to get a copy. That is *Labour Research*, produced by the Canadian congress of labour.

Wages and inflation: according to Holy Writ there is a time for everything under the sun, but according to some employers there is one exception to this, there is never a time for wage increases. There should be no wage increases when prices are stable because that would cause inflation. There should be no wage increases when prices are rising because that would cause more inflation. Wage increases are what make the prices rise. More wage increase would only make them rise still more. There should be no wage increases when prices are falling, because that would put prices out of the market and cause unemployment. The logic is irrefutable. Or is it? Let us look at some of the facts.

When do they ask for wage increases and when are they entitled to them? It is common knowledge that in the past year spokesmen for the Canadian manufacturers' association and the Canadian chambers of commerce have continually made the hue and cry across the country that the trade union movement is responsible for inflation, and if they continue to ask for wage increases they will bring chaos to our economy and all the rest of that sort of bunk.

I wonder why they put the emphasis on the organized trade union movement? Out of the 6 million in the labour force in Canada there are only 1.25 million in the organized trade union movement. In Ontario, out of the approximately 2 million in the non-agricultural field, there are about 500,000 in the organized trade union movement.

How about all of the rest of the unorganized? It is obvious to the trade union movement that it is propaganda to intimidate the unorganized and to confuse the Canadian public so that they can cover up some of their own greedy evils, and it is about time that this sort of stuff was stopped and some of the facts were given to the public.

As far as tying wages to productivity is concerned I do not know whether the hon. member for Riverdale has ever been into some of our basic industries—steel, rubber, automobile, electrical or what have you—and observed the way they produce things. He will find that the working man in industry today, particularly the highly organized and the highly wealthy ones, have very little to do with their rate of production. The mach-

ines are set to go at a certain rate and the working man keeps up.

I mentioned taking a look at some figures, and I want to mention some facts published by the trade and industry branch of The Department of Planning and Development, which disclaims the propaganda of some of the spokesmen for the Canadian manufacturers' association. I am disappointed that these sort of stories and arguments are being echoed in this House by hon. members of the Legislature.

In 1946 there were 498,000 employees in manufacturing, with an average weekly wage of \$30. They produced a gross value of production of \$3,755 million. In 1957, with an increase of 160,000 in the employment picture, bringing the total number of employees in manufacturing to 658,000, with an average weekly wage of \$67, they produced a gross value of production of \$10,780 million.

Can labour be blamed for production here? I should say not. That is an increase of about one-third in employment, with almost 3 times the gross production.

Hon. members can see that, when we are talking about tying wages to productivity, we do not look at the other problem—the prices. There is no price index published in Canada, no one knows just how they base their prices, where the yardstick is for what they are going to charge. In the United States they are published, and we can tell where the inequities are. In Canada there is no price index published, and that is one fault of our Dominion bureau of statistics.

Now I want to give a few more facts to substantiate my argument. These are facts from the Dominion bureau of statistics. The Canadian weekly average of wages and salaries is about \$69.81, Ontario's is \$71, with a range from \$102 a week high in petroleum and coal production to \$37 in the service trades, hotels and restaurants, laundries, dry cleaning plants and other sorts of services.

Well, let us take a look at the average and may Providence help those below it.

Suppose we set a budget of something like this per week—rent or mortgage payment \$20; heat and electricity \$7; instalment payments on a car or TV, \$10; food, \$15; entertainment, \$5; and clothing, \$5. This totals \$62, and we have a balance of \$8. I have said nothing of income tax deductions, life insurance deductions, car insurance or medical costs. These are some of the things we have to start and look at when we talk about labour pricing us out of the market.

I would say that if any hon. member in the House feels that the average rate, or that high high rate at \$102 a week, is too much for a working man, then he should stand up and give us some reason why. I think the wage earner—those working in factories in this country—are under an economic stranglehold that they cannot get out of, and their only salvation is in the organized trade union movement, and then it is tough going to get their share.

There is something else that the hon. member for Riverdale forgot to mention, and I have never seen it mentioned by any of our statisticians and these great spokesmen for the Canadian manufacturers' association. That is the unproductive occupations and professions.

Many professional services—legal, medical, dental, realtor and such other professional services—have their organizations. They have their unions. But how do they bargain for their wages or fee? They just meet, sit down together, decide from statistics what the public will bear, and they take it.

Now, have hon. members noticed—and I am sure many of them have—the number of firms in the real estate business today, the number of salesmen on their staff, the number of staff for large industry? Have they noticed the amount of new and used car lots that are in the country, the salesmen sitting around by the dozens? Some hon. members talk about tying wages to productivity. I wonder what these groups produce.

Let us take another look at some figures from the Dominion bureau of statistics. It is a favourite cry, as I said before, of spokesmen for our big corporations, that the wages have risen out of all proportion to productivity, and that labour is killing the goose that lays the golden egg and all that sort of thing.

Now let us take a look at the percentage of wages paid to the total net value, that is added to manufacturing production, from 1924 to 1953. The year 1953 is the last related figure available. I think on a percentage basis the adjustment up to the present time would be the same. In 1924 the percentages were 37.6 per cent.; 1925, 37.4 per cent.; 1926, 37 per cent.; 1953, 36.8 per cent.

Those figures show plainly that the percentage of wages to value of production added has varied surprisingly little over the past 30 years, but the average of this period 1924 to 1953 is 32.2 per cent., which is also the same percentage in 1953. The actual wage bill in those years, 1924, 1925, 1926, is

slightly higher than what it was in 1953, and certainly more than it is now.

Because of the increased technological improvements and automation, we are going to find the cost of labour to be decreasing steadily, and we are going to have to do something about finding jobs for the people when they have not got them in industry. We must take a serious look at new technological changes and automation.

I attended the opening of the new slab mill in Stelco two or three weeks ago. It was a \$25 million project and when the mayor cut the ribbon—and I would say I have been in bloom mills several times and I know how they operate—I was standing right next to the works manager and I said: "Alex, did you give the boys a day off today for the opening?" He said, "Why?"

I said: "I just cannot see anyone here to run this mill," and he turned around and said, "Gosh, you are right."

Now, Mr. Speaker, there are only about 3 or 4 men needed to run this mill. There was a craneman and two men in the pulpit, this is a new slab mill which, with very little mechanical improvement, at any time they wish they can completely double its output. Any time they wish, with just a very little mechanical change to that mill, they can completely double its productive output.

Let us take a look at a few other figures. Let us make another point to disclaim some of the arguments of the hon. member for Riverdale that wage increases are unnecessary. Let us take a look at some taxation figures.

Taxation statistics showing distribution of all income-taxpayers by income classes is always two years or more behind. However, if we take a look at the latest taxation statistics available for the year 1954, and I am sure that the percentages have not changed up to the present time, we will find that the basis of both taxable and untaxable returns on income was distributed as follows: The percentage of all persons who filed income tax returns under \$2,000 was 38.5 per cent. Under \$3,000, 64.2 per cent.; under \$3,500, 75.6 per cent.; and under \$4,000, 83.8 per cent. Only 16.2 per cent. of salary and wage earners in Canada make over \$4,000 a year.

Now, as I said, on a percentage basis that might be slightly higher at the present time. Does that say that industrial workers are receiving too much money? I should think not.

Well, let us have another look at some figures. In the past 10 years, profits of Canadian corporations have gone up substantially, and in many cases have skyrocketed. Profit figures of the following corporations representing a broad cross section of the Canadian industry show what has been happening.

International Nickel Company: Their net profit after taxes in 1946 was \$29,681,352; in 1955, \$91,566,566, an increase of 208 per cent.

Imperial Oil: 1946, \$17,326,112; in 1955, \$62,145,140—for an increase of 259 per cent.

Aluminum Company of Canada: 1946, \$11,581,237; 1955, \$41,160,799—for an increase of 255 per cent.

Bell Telephone Company of Canada: 1946, \$8,274,370; in 1955, \$31,978,042—for an increase of 286 per cent.

The British American Oil \$3,319,572, that was in 1946; and in 1955, \$20,615,219, or a percentage increase of 521.

The Steel Company of Canada in 1946, \$2,450,178; and in 1955, \$21,818,638, for a percentage increase of 790. I am very familiar with that company because I have been on the negotiating committee since 1947, and each year without fail when we opened negotiations they just cried that we were going to wreck them, that we would certainly retard their expansion, that all economy would go out of kilter. But every year, from then on, their expansion has been great and their profits have been great.

To go on with my figures.

The Massey Harris Company in 1946, \$2,125,570; and in 1955, \$7,521,031, for a percentage increase of 254.

Now here is the daddy of them all, the Industrial Acceptance Corporation. In 1946, the net profits after taxes was \$253,542; and in 1955, \$7,394,892 for a percentage increase of 2,817.

Falconbridge Nickle Mines is next with a percentage increase of 1,463.

Traders Finance Corporation follows with a percentage increase of 931.

Now, I was looking at the paper last night and I find that for the year 1957, Falconbridge profits were \$9,953,000 an increase of 38 per cent. over 1956 and before taxes they have paid \$3.5 million production write-off, so they are not doing too badly.

Now let us look at the average weekly wage in this same period and see what happens to that.

In manufacturing in 1946, the average weekly wage was \$29.87, and in 1955 it was \$52.95 for a percentage increase of 98.

In mining, in 1946 the average weekly wage was \$47.71, and in 1955 it was \$69.60 for a percentage increase of 84.

In the services the average wage in 1946 was \$19.87 a week; and in 1955 it was \$34.58 a week, with a percentage increase of 74.

Now I would like some of the hon. members to look at some of these figures some time, so that we do not have echoes from spokesmen from the Canadian manufacturers' association in this House.

I would just like to give a few facts regarding the industries that I am interested in, and these also are from the Dominion bureau of statistics.

Between 1945 and 1956, labour's share of the sales dollar in the primary iron and steel industry dropped from 30 cents to 24 cents. In 1945, each Canadian steel worker turned out an average of \$6,545 worth of goods, for which he received an estimated \$1,969 in wages and salaries. In 1956, the average Canadian steel worker produced goods worth an average of \$18,877, and he received back in buying power an average of only \$4,495.

That, Mr. Speaker, is my answer to this cry of tying wages to productivity.

Now, Mr. Speaker, when does a man deserve a wage increase? I ask because I have never heard any of these people yet say when a person is entitled to a little more money.

Now there is just one other comment I would like to make. I would like to quote from an expert, and at least I think these people are experts. Some of the hon. members do not believe in experts, but this is a quote from the former governor of the Bank of Canada, Graham Towers, when he was speaking to a joint meeting of the Life Underwriters Association of Toronto and the Toronto chapter of the institute of chartered life underwriters on November 14, 1957. He said this:

Labour quite properly, I think, resents being saddled with a large share of the blame for the lower value of money. They are certainly not responsible to any greater degree than all the rest of the population for what occurred during and immediately after the two World Wars.

It is not worthwhile to argue about the extent to which increases in wages in excess of increases in productivity of labour has contributed to the rise in the cost of living in the last year and a half. Now I think that the report of the present governor has also added some argument to what I have said,

because he says in part of his report, and I quote:

Since inflationary forces of considerable strength arising from non-monetary sources were already operating throughout the economy, such a monetary policy would undoubtedly have resulted in a much greater degree of price inflation than that actually experienced. An already rather hectic boom would have been further aggravated, the over-expansion in certain lines of industry which has now become apparent would have been greater, and the aftermath of the boom would have been a recession of greater degree than anything which now seems likely.

In assessing the causes of Canada's current recession, the governor declared that it was not brought about by monetary policy but, as far as the domestic factors were concerned, by inflation and excessive business expansion in some directions.

And I want to say this, Mr. Speaker, and you will find if you look into some figures of industry, and particularly the large ones, they have over-expanded to the position whereby right now they can operate at a capacity of 40 per cent. and 50 per cent. and still make a reasonable profit. So where is the incentive for those people to keep men working?

We had had 1,050 laid off in our plants while we were building this great new bloom mill, but what it will add to employment is almost nil.

Now, Mr. Speaker, I have concluded in regards to wages and productivity, and in conclusion I want to put something else on the record which I think is important to the people of my riding. I mentioned in my speech in 1956—it was after we had a serious storm—we had normal storms which did considerable damage to Van Wagner's beach and Crescent beach in the Hamilton area, and I appealed for some assistance. Homes were wrecked, some were completely demolished, businesses were badly damaged, and people worked for hours and hours with sand bags to protect this property, and it is still the same way that it was then.

Now, if we have a storm, a little more serious than the last one, these homes and this property are going to be wiped out. It does not have to be much more serious to wipe them out entirely. These people are sitting ducks. Nobody will buy their properties, they are just sitting ducks for the next storm.

I have prevailed upon this government to join co-operatively with the municipal and

federal governments to look the situation over, to expropriate this property and develop it into a seaside resort before these people lose everything they have.

Mr. A. H. Cowling (High Park): Mr. Speaker, with your permission I would like to say a word about the matter of fluoridation. Unfortunately during the private bills discussion of the city of Ottawa bill, I had to be at another committee meeting and I was not able to attend the discussions there, and I just thought that I would like to bring to the attention of the House some of my ideas which I was unable to bring forward at that time.

Now, the matter of fluoridation had quite a bit of discussion and I realize, too, that during the presentation of the Ottawa bill before the private bills committee, the matter was defeated. I would like to say quite definitely I favour fluoridation of our water, and I think that we should probably consider some form of permissive legislation to allow the municipalities to consider the matter, and if they so desire to take advantage of the fluoridation of their water supply.

Now, as you know, Mr. Speaker, this is not a new thing as far as Ontario is concerned. We already have the following places which are fluoridating their water, and as I understand with very great success.

For example, there are the city of Brantford, the town of Brockville, the improvement district of Deep River, the town of Fort Erie, the city of Oshawa, the town of Thorold, the township of Tisdale, and the city of Sudbury.

So we cannot say, Mr. Speaker, that it is altogether a new idea insofar as Ontario is concerned.

I cannot remember anything that has brought such a very definite division of thinking as this matter of fluoridation of the water, and being a layman, I think that in this short presentation, I would like to bring hon. members the thoughts and ideas of some of our medical people and some of our scientists to back up some of the things that I would like to see.

For example, here is a list of some of the organizations who favour fluoridation, and I am going to read them:

The Canadian dental association, the Canadian medical association, the Canadian public health association, the national research council of the United States, the United States public health service, the American dental association, and the American medical association.

Now, Mr. Speaker, as far as I am concerned, if I want advice about my physical condition I would go to a medical doctor and see what he had to say about it, and I depend upon what he says about it. If I had a toothache, or even before I have a toothache, I go to my dentist for advice about my teeth, because I depend upon what he has to say. When we stop to consider that these very outstanding groups of medical and dental people favour fluoridation, I think that is a pretty good example of what an important move this is, and I personally feel that fluoridation—like so many other health and medical advances—is coming. Regardless of what we do, or what anybody else does, I think that it is a coming thing both in Canada and the United States.

Now we know that today there is an acute shortage of dentists in many of the rural areas of Canada, and according to a recent survey nearly three-quarters of Canadian families spent nothing for dental care during the past year. Now just think about that—three-quarters of our Canadian families spent nothing for dental care—that is for either children or adults. Studies across Canada show that 4 out of 5 of our 6-year-old children have already suffered from dental decay.

I think of my own son. I can well remember when he was 6, and even less than 6, that we were taking him to the dentist and he was having teeth filled and he had cavities much the same as our adults.

The average child starting school has more than 5 of his important foundations of baby teeth decayed. The average 12-year-old already has 8 of his permanent teeth decayed, and has lost 1 of his permanent teeth.

Scientists have discovered that where fluorides, chemical compounds containing fluorine are found in drinking water, people have less tooth decay. At least part of the answer is because, when the teeth are being formed in childhood, the fluoride becomes part of tooth enamel, producing better formed teeth which are harder and more resistant to tooth decay.

Where the water contains natural fluorides, the people automatically benefit, and there are many of our own communities like that, Mr. Speaker. As a matter of fact you know of one very close to your riding which is just that way. Where fluorides are not present or in sufficient quantity, they can be added by a process called fluoridation with the same beneficial results. It is Stratford, Ontario.

The water has contained natural fluoride for the past 36 years, and in this large community

the average 6- to 8-year-old has only two foundation teeth decayed, and the average 12- to 14-year-old has only 3 of his permanent teeth showing any sign of cavity, and one-quarter of the 12- to 14-year-old children have no decayed teeth at all.

Now, you know more about that, Mr. Speaker, than I do. In 1945, Brantford, Ontario, averaged 1.0 to 1.2 parts per million of fluoride to its drinking water, this is the proportion which gives maximum protection against having decays. Each year, since the people have begun drinking fluoridated water, the amount of tooth decay amongst Brantford children has grown steadily less.

The 6- to 8-year-old children who were examined recently and have benefited by fluoridated drinking water since birth, now have no more dental decay than similar children in Stratford. Now that is right close to home, and I remember listening to the comments of the hon. member for Brantford (Mr. Gordon) and surely in that community where they have been, shall we say, artificially fluoridating their water for 13 years could not be considered an over-night experiment, or something that has not been given due consideration.

In this big city of Brantford, they have figures to show very definitely that, through the use of fluoridated water, the children in that area have wonderful teeth, and also that it has in no way detrimentally affected the health of the adults in the area.

Now, fluoridation is not a new thing. In 1874, the use of fluorides was recommended because it is fluorine which gives hardness and lasting qualities to the enamel of the teeth and so protects against cavities. In 1937, studies were described by the United States public health service showing that, when water supplies contained fluoride, very much less dental decay occurred. Since then, many more large-scale studies have shown the truth of these findings.

We get back to Brantford again. In all of the cities and many others the amount of dental decay experienced by children each year is decreasing to that found in cities which have natural fluorine waters. Children born since the water supply has been fluoridated have as little dental decay as children of the same age in areas where the water naturally contains fluorine.

As a matter of fact, all of us every day, Mr. Speaker, drink water or tea or any beverage which contains a certain percentage of fluorine—now, all of us are drinking fluorine as it is today. Water may be sup-

plemented with fluorides in small communities by simple and inexpensive equipment. In 1953, over 14 million people in more than 784 United States communities were drinking fluoridated water, amongst these are at least 177 communities of less than 10,000 population. The saving by reduced dental bills to any family is very many times greater than its share of the cost of fluoridating the water.

Now the "administration of remedies" is the definition of medication. I want you to get that, Mr. Speaker, the "administration of remedies" is the definition of medication. Fluoridation is for the prevention of dental decay, it is not a remedy. Across Canada today people fully approve of chlorination and pasteurization as necessary measures to prevent other forms of disease.

As a matter of fact, we have our youngsters going to school, and we have immunization against smallpox, against chicken pox, against diphtheria, and so many things. They stick a needle into the children and this has a beneficial effect.

As a matter of fact, take our great Salk vaccine programme. It is a wonderful thing, a great advance in this age of medicine, and just think of the thousands and thousands of our Ontario children who will never have polio because of the introduction of this Salk vaccine. Yet people say it is a medication, that the children are subjected to needles and so on, over which the children have no control at all, and yet the parents are very happy to see they have it, it is doing such a lot of good.

No alteration in taste or colour of the water supplies occurs with fluoridation. Some people say: "Well, it is going to change the taste of our water in Toronto and in other places." But it has no effect at all on the taste. There is no scientific proof that fluorides taken in any other way than by fluoridated water will cause any reduction of tooth decay.

So many people say: "Well, if you want to get fluoridated water, go to the drug store and buy some tablets and buy fluorine and put it in your own water, and that is it." But the scientific proof, Mr. Speaker, is that the only satisfactory and beneficial way to get fluorine is to get it through the drinking water.

Taking fluorine tablets would not be practical at all. The best dosage in this form is not known, and people might either take too much or too little. Also the tablets would need to be given from the first few days after birth

until at least the eighth year before they could do any good.

Again, there is no evidence of the success of these methods. Many years of research would be needed, large-scale experiments taking many years would be necessary.

"Would it be better to apply 2 per cent. sodium fluoride solution to children's teeth?" people say. "Go ahead, give it to the children that way."

This treatment certainly does decrease a certain amount of dental decay for a large group of children, nevertheless it means 4 visits to the dentist and should be repeated every 3 years beginning at approximately the age of 3 and continuing until 13 years of age. It is, therefore, very expensive.

Is fluoridated water largely wasted by industry or irrigation? The answer is no. It is still the most practical and most efficient method of reducing dental decay. The average cost of one dental filling would pay one person's fluoridation cost for about 20 to 30 years. Imagine that, Mr. Speaker. Canadian families spend directly some \$33 million annually for dental treatment. The average family which receives dental treatment pays a bill of about \$27.

Now, Mr. Speaker, you hear so many people say: "Well, is it safe? Why should we have to take a medication that is going to benefit our children but in the years to come might adversely affect the health of the adults?"

Well, here is the answer to that. Fluorides are present in many of our foods today, such as fruits, vegetables, meats, fish, cheese, cereals, milk. However, people usually obtain at least 4 times the amount of fluorides from fluoridated water as they do from the usual foods.

Over 2 million people in the United States alone have for years consumed water naturally containing not less than 0.9 up to 2 parts per million of fluorides; that is pretty much what they are getting in Brantford, Stratford and these other places. The records of these communities have been most carefully studied, and in addition special medical examinations of the children have been carried out.

From all of these studies no evidence at all has been discovered of any greater degree of cancer, kidney disorders, hardening of the arteries, heart disease, rheumatism, arthritis, bone fractures, goitre, or any other condition. Now safety is assured.

Poisoning by fluoride—I would like hon. members to pay particular attention to this—would require the drinking at one sitting of no fewer than 450 glasses of water contain-

ing the recommended one part per million. Mr. Speaker, 450 glasses of water at one sitting.

To obtain this amount of fluoride in one glass of water, more than 4 tons of sodium fluoride would have to be added to one million gallons of water. At 23 pounds of fluoride, which is the normal quantity added, accidental poisoning of this nature could not happen in a programme of water fluoridation.

Fluoridation machines are very accurately controlled, the largest possible variation is about 1/20th of the correct amount. In addition, routine tests are taken by waterworks personnel to make sure that the water contains the correct amount of fluorine.

In communities with water containing one part per million of fluoride, teeth are found to be more attractive. Some 1,500 children have been most carefully inspected by a very experienced examiner in Stratford, Ontario, where they have 1.3 parts per million of fluoride, and the only signs of mottling which he could detect were some very fine whitish flecks on the teeth of a small percentage of the children, and these added to, rather than detracted from, the appearance of the teeth.

There is, fortunately, no danger of discoloration or anything of that kind. One survey showed 60 per cent. less tooth decay amongst adults raised in a community with fluoride in the water; the people of a community with no fluoride had also lost 3 or 4 times as many teeth.

Now as I said at the start, Mr. Speaker, I am not a medical man. I have to depend on medical advice insofar as my health is concerned, and I have to depend on my dentist for information about my teeth. I would like to give some idea here from medical men, they are not laymen like I am, they are doctors. For example, FLUORIDATION OF OUR WATER SUPPLY. This is from an editorial by Dr. George F. Lull, M.D., secretary and general manager of the American medical association, all the doctors in the United States belong to it. And he has this to say:

It was so with vaccination against small-pox, immunization against diphtheria, fluoridation of water for safety, fortification of milk with vitamin D, and enrichment of flour for bakery goods. We are now going through the same phase in regard to fluoridation of our drinking water.

The arguments against fluoridation have all been considered by responsible scientists in medicine, dentistry and the allied sciences. It is established overwhelmingly

that the addition of a measured quantity of fluorine to public water supplies to prevent dental decay in children is not only a constructive public health measure, but is as safe as is humanly possible to determine.

So says Dr. Lull.

And another part: so many people say: "Well, I would not go along with this idea of adding rat poisoning to water." Now I just wanted to say, this is coming from a doctor, not from me, Mr. Speaker:

Another slick, effective technique is to refer to fluoride as rat poison. Of course, in appropriate doses it is.

Dr. Lull says this. As any doctor knows, and as any intelligent layman should know, over-doses of any potent drug or even ordinary table salt can be poisonous. Now, is that not a fact? That is a medical man's sphere.

Another argument that we often hear, Mr. Speaker, is that the long-term effects of the medication of water supplies is not yet proven. It is in the history of public health, no other procedure has been tested so thoroughly and for as long a period of time as fluoridation. For generations, over 4 million people in the United States have been living all their lives in areas where drinking water naturally contains fluoride in concentrations as high or higher than that recommended for dental health.

Many studies have been conducted among these people by competent investigators, and the search has been painstaking, yet no one has been able to find any dangerous biological effects, except on enamel, defects known as dental fluorosis, in the areas where the fluoride concentration is too high.

Fluoridation is not medication. The generally accepted definition of medication as used by dentists and physicians refers to the administration of remedies to treat or cure a given condition. Fluoridation does not constitute a remedy, it does not treat an existing disease. It supplies an element which is essential to normal body growth and development so that it is not a medication.

And then it is suggested that hon. members of this House should speak to medical men privately, and get their idea, which I have done, and I have no doubt that many of our hon. members have also done so.

In a vote taken in the academy of medicine in Toronto, over 95 per cent. approved fluoridation. In a survey taken of departments of

preventive medicine in leading Canadian and American universities, not one opposed fluoridation. Now, Mr. Speaker, that is a pretty strong argument in favour of fluoridation, I would say.

Some people say that fluoridated water must be drunk by everyone and without personal medication, medical supervision or guidance. It is true. There are other methods of preventing dental decay such as the proper application of fluoride. Fluoridation of the public water supply is especially practical and safe, because it is constantly subject to control by competent health authorities and does not require actions on the part of individual citizens.

As one of the Metropolitan Toronto members of the House, may I say that our own metropolitan council have applied to the Legislature for permission to fluoridate their water and, as I said at the beginning, I can see nothing wrong with this permissive legislative idea as far as fluoridation is concerned.

People say there is no similarity between the chlorination of water and the fluoridation of water. The purpose of both is the same, and that it is the prevention of disease. Chlorine prevents disease by destroying harmful bacteria, and fluoride prevents disease by helping in the formation of more resistant tooth enamel.

Then they say that there are other factors which control dental cavities; that in the diet the amount of carbohydrates and the general health of the child are perhaps of more importance than the question as to how much fluoride he may have in his drinking water.

The answer to that one is this, sufficient fluoride in the diet is every bit as important to the dental health as the aforementioned factors. The advantage of fluorine is that it will be fairly uniform in its intake.

As for the other measures, because of individual variation in diet and so on, it cannot do any more than it is doing right now.

Here is another one, fluoridation benefits those beyond 8 years of age. So often, Mr. Speaker, we hear people say: "Well, fluoridation may help the youngsters but what about the adults?" Here is the answer. Fluoridation benefits those beyond 8 years of age. These children will grow into adults some day, with 3 to 4 times as many teeth at the age of 40 as those who have not had the benefit of fluoride. In other words, generations to come will have better teeth and will not run the risk of having complications of dental decay.

The cost of fluoridation, Mr. Speaker, would be from 5 cents to 15 cents per capita per annum. Surely this should not be an issue when the health of the children is at stake. The cost per capita per year for dental fillings would be estimated at about \$7. Fifteen cents for fluoridation, \$7 to get the teeth filled.

Another question we hear: "Should we recognize that while there are some 3 or 4 million people living in areas where there is fluoride in the water, these fluorides come in natural combinations?"

The answer to that is that there is no such thing as artificial fluoridation. Fluorides are always added to water, generally being picked up by the water running through underground passages and crevices where the ground contains various fluoride compounds. In this process, man has no control over the concentration.

Studies show that the same results occur where the fluoride is added in controlled amounts, or where added in variable amounts by nature except that safety is assured when the fluoride is added in controlled amounts. In other words, it just could not get out of control, because of our very strict health supervision.

People say that the sole purpose of adding fluoride to water is to reduce tooth decay in children. Well, the answer to that one is that sound teeth in children means sound teeth in adults. Where the fluoride intake is low, adults have lost 3 to 4 times as many teeth by the time they are 45 years of age, as in areas where the intake is higher.

And, Mr. Speaker, I would venture to say that—and it is rather a personal thing—the many hon. members in this House today who have false teeth—upper and lower—would certainly support any programme which would assist the youngsters.

I think of our own page boys right here. As far as I am personally concerned, I think fluoridation would assist boys of this age and younger. Now I am older, and very much cannot be done for me. But as long as I am assured that the results are not harmful to my health, I am again all in favour of providing the youngsters with good, sound teeth through fluoridation.

Now, here is a little bit that was in the paper recently:

FLUORIDATION SAFE, USEFUL, EXPERTS FIND

This is datelined Geneva, Switzerland. It says this:

Expert investigators have decided that fluoridation of water is an effective, safe,

and workable means of preventing tooth decay, the world health organization announced yesterday. A report to the world health organization by dental experts said that a recent study showed that children who drank fluoridated water had well-formed teeth much superior and more resistant to tooth decay than teeth of other children.

The experts based their opinion on a study of hundreds of controlled fluoridation programmes in 17 countries of the world. The results of fluoridation in all programmes showed a remarkable uniformity and the prevalence of dental cavities in permanent teeth of children decreased some 60 per cent., they stated.

Sixty per cent. reduction, Mr. Speaker, in tooth decay.

Now I know that we have all been smothered with literature pro and con on this subject, but I have been impressed, Mr. Speaker, that most of the literature and letters that I have received favouring fluoridation come from dentists, from doctors, from dental organizations and from medical organizations, and those I have received opposing fluoridation come from individuals such as myself, the layman, not the medical or dental men.

Naturally, that is going to sway my thinking, because as I said when I began, fluoridation is a matter for the doctors and the dentists, and I will go along pretty well with what they have to say. In this little folder there are some pretty interesting bits of information: *Digests of Opinions on Fluoridation*, by the health league of Canada.

The health league of Canada, incidentally, has been very active in this programme. Now there is a great list of places both in Canada and the United States favouring the programme but I thought that I would just mark off two or three paragraphs by medical men throughout Canada and the United States in connection with the problem. For example here is Mr. H. J. Shaughnessy, University of Illinois. He says:

I see no indication of any damage done to the human organism if fluorine is used in the water supply in accordance with a recommendation of the United States public health service and other similar organizations. It seems to me that adding fluoride to the water is merely making up a deficiency which occurs in some natural waters and not in others.

Therefore, if fluoridation is properly done and properly controlled, there should be no ill effects, but only a beneficial effect such as occurs from drinking water which naturally contains fluorine of the proper amount.

This is a doctor's speech. Another one over this is by Dr. Paul V. Cornley from Howard University.

The District of Columbia has gone through a period of deciding about the fluoridation of its water supply. There was some agitation in the community against it, however the authorities decided to fluoridate the water supply. This has been in effect for a number of months, and there has been to my knowledge no adverse criticism. Now these are the opinions of some doctors, including Dr. Huntington Williams, University of Maryland.

It was the unanimous decision of the leaders of the Baltimore medical profession and the State medical society, the Baltimore dental profession and the state dental society, and the state and city health departments, together with the professors of medicine in Johns Hopkins medical school, the University of Maryland medical school, that the fluoridation of the city's water supply was desirable, harmless and an important and needed public health procedure.

Mr. Speaker, we all know of the great reputation of the Johns Hopkins medical school. So that pretty well sums up the situation.

I think that this matter of fluoridation is inevitable, that we are going to have it. We already have it in many centres in the province of Ontario. I mentioned 8, and I can see no reason why, if a local municipality, through their elected council or by a vote of the people, want fluoridation, we should not give them permission to have it.

It is very definite, according to my studies on the medical and dental information that I have been able to get, that it does help to reduce the amount of tooth decay in our youngsters by 60 per cent., and we have the city of Brantford as a shining example after 13 years of trial. It does help to reduce tooth decay, and at the same time—again according to the best medical and dental advice—has absolutely no harmful effect on the adult. Then I cannot see any reason why those municipalities which want it should not be given the privilege of having it.

Mr. A. J. Child (Wentworth): I move the adjournment of the debate.

Motion agreed to.

Hon. J. N. Allan (Minister of Highways): Mr. Chairman, I move the committee do now rise and report certain resolutions.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

The Chairman: Mr. Speaker, the committee of supply begs to report certain resolutions and begs leave to sit again.

Report agreed to.

Hon. Mr. Allan moves the adjournment of the House.

Motion agreed to.

The House adjourned at 3.50 of the clock, p.m.

ERRATUM

(Thursday, March 20, 1958)

<i>Page</i>	<i>Column</i>	<i>Line</i>	<i>Correction</i>
1103	2	33	Change to read: "Mr. Wardrope: In speaking of that housing"

REPORT OF THE

COMMISSIONERS

OF THE

LAND OFFICE

FOR THE

YEAR 1881

AND

1882

1883



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Monday, March 24, 1958

Afternoon Session

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, MARCH 24, 1958

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. W. A. Johnston (Parry Sound) from the standing committee on mining presents the committee's second report and moves its adoption.

The committee begs to report the following bill without amendment:

Bill No. 182, The Pipe Lines Act, 1958.

Although Bill No. 178, An Act to amend The Ontario Fuel Board Act, 1954, has not been read a second time, nor referred to the committee, it was nevertheless considered by the committee and approved in principle without amendment.

Motion agreed to.

Clerk of the House: Mr. W. B. Lewis, from the standing committee on government commissions, presents the committee's report, and moves its adoption.

Your committee advises that it has considered the matter set out on pages 17 and 18 of the report of the provincial auditors for the fiscal year ending March 31, 1957, together with the statements of the hon. Prime Minister relating thereto, delivered in this House on February 10, 1958.

It recommends that the various boards of commissions under the jurisdiction of this government be allocated in the future to the various standing committees of the House for study on the basis of subject matter and suggests that allocation is as follows:

(a) Standing committee on agriculture:

1. Ontario food terminal board.
2. Ontario stockyards board.
3. Ontario junior farmer establishment loan corporation.
4. Ontario telephone authority.
5. Ontario telephone development programme.

(b) Standing committee on conservation:

1. Ontario - St. Lawrence development commission.
2. Niagara parks commission.
3. Ontario parks integration board.

(c) Standing committee on health:

1. Hospital services commission of Ontario.
2. Alcoholics and research foundation.
3. Ontario cancer treatment and research foundation.

(d) Standing committee on highway safety:

1. Ontario highway transport board.

(e) Standing committee on labour:

1. Workmen's compensation board.

(f) Standing committee on mining:

1. Ontario fuel board.

(g) Standing committee on government commissions:

1. Ontario water resources commission.
2. Ontario municipal improvement corporation.
3. Housing corporation limited.
4. Hydro Electric Power Commission of Ontario.
5. Ontario northland transportation commission.
6. Ontario racing commission.
7. Liquor control board of Ontario including the liquor licence board of Ontario.

That subsequent sessions might well have standing committees on: 1, Hydro Electric Power Commission of Ontario; 2, Hospital services commission of Ontario; 3, Ontario water resources commission.

The committee suggests the adoption of the following terms of reference for a survey of the strength and weaknesses of the governmental system:

To make a survey for the purposes of inquiring into and reporting upon the relationship of provincial commissions and boards to the government of Ontario, the

Legislature and the government departments with a view to—

(a) preserving governmental responsibility and insuring effective control by the Legislature over public expenditure and decisions;

(b) maintaining high standards of administrative economy and efficiency in all branches of provincial services, and to consider and report upon such matters effecting the machinery of government as may be referred to it.

That such a survey and inquiry be conducted by personnel qualified to review the problems of government.

The committee also recommends strongly that a survey be conducted by hon. members of the Legislature and such other qualified personnel as may be required.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, may I ask the hon. Prime Minister (Mr. Frost), that in view of this report and the statements that he has already made to the House in connection with the investigation of commissions, if he is in a position to say to the House in just what manner he intends to proceed with this investigation.

Hon. L. M. Frost (Prime Minister): No, sir. I would want to give consideration to that report, as a matter of fact I just listened to it now. I would like to see what the report says and give it consideration.

Mr. Speaker: Motions.

Introduction of bills.

THE HOUSING DEVELOPMENT ACT

Hon. W. M. Nickle moves first reading of bill intituled, "An Act to amend The Housing Development Act."

Motion agreed to; first reading of the bill.

And notwithstanding the usual rule, it be now referred to the municipal committee.

He said: I point out the purpose of this bill is to give a housing authority the right to develop a low-cost housing area pursuant to an application by a municipality which will only come into force and effect if supported by an order-in-council.

Mr. D. C. MacDonald (York South): How does that alter the present situation?

Hon. W. M. Nickle (Minister of Planning and Development): It alters the situa-

tion in this way: for instance this application comes to my department recommended by Metropolitan Toronto, asking that the Toronto housing authority, if asked by any of the corporations that go to make up the metropolitan area, that the Toronto, rather the housing authority, should have the right to investigate the potential of a low-cost housing project in any part of the metropolitan area.

At the present time the Toronto housing authority cannot investigate any matter in connection with low-cost housing, and the metropolitan council say they would like to have that on the statute book. It can only come into full force and effect if supported by an order-in-council by the Honourable the Lieutenant-Governor, and they think that this is a worthwhile amendment to give them a chance, having regard to the challenges which are coming up, to look into a matter, to report with some authority.

Mr. Oliver: Mr. Speaker, inasmuch as this bill is going directly to the committee tomorrow morning, I would like to ask the hon. Minister, has the statement he has just made, it would not come into effect until supported by an order-in-council, has that any particular significance as against the existing legislation?

Hon. Mr. Nickle: The only reason I would give the hon. leader of the Opposition, in having the order-in-council to support the application, is that the Honourable the Lieutenant - Governor - in - council will have some knowledge and indeed the right to control the investigations which may be made, because after all in a low-cost housing project the government has a financial interest.

Mr. Oliver: If I might be allowed this one supplementary question: As it exists at the present time, is an order-in-council required? Then it is, in reality—

Hon. Mr. Nickle: There is no authority, I may say to the hon. leader of the Opposition, to make such investigation at the present time.

Mr. Oliver: No authority to make the investigation?

Hon. Mr. Nickle: That is right, by a housing authority. And that is the purpose of this amendment.

Mr. Oliver: It sounds like restrictive legislation to me.

Hon. Mr. Nickle: I beg your pardon?

THE MOTOR VEHICLE FUEL TAX ACT, 1956

Hon. J. N. Allan moves first reading of bill intituled, "An Act to amend The Motor Vehicle Fuel Tax Act, 1956."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill is intended to follow out the recommendations as a result of a study by the Ontario research foundation, and the thought behind the introduction of the bill is that a diesel vehicle powered by diesel fuel will pay the same charge for the use of the highway by way of tax as would a vehicle powered by gasoline.

Mr. Oliver: What is the rate?

Hon. J. N. Allan (Minister of Highways): 18.5 cents.

Mr. Speaker: Before the orders of the day I would like to extend a welcome to the students from the following schools: Earl Grey senior school, Toronto; Swansea public school; Northlea school, Leaside; and Westwood junior high school. These students are here to view the proceedings of the House and we welcome them very warmly.

Orders of the day.

Hon. Mr. Frost: Mr. Speaker, I move you do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to; house in committee of supply, Mr. H. M. Allen in the chair.

ESTIMATES, DEPARTMENT OF MUNICIPAL AFFAIRS

Hon. W. K. Warrender (Minister of Municipal Affairs): Before considering the estimates of The Department of Municipal Affairs, I would like to make a few brief remarks regarding the operation of the department. This is the second time I have had the honour to present the estimates of The Department of Municipal Affairs.

During the intervening year, I have had an opportunity to familiarize myself with the activities of the various branches, and the many services they offer to municipalities and to the general public.

These services are made possible by the conscientious and untiring efforts of the staff of the department, and I should like to pay tribute to their efforts.

I have explained to this House on a previous occasion that ours is essentially a service

department providing assistance, advice, and information to the municipalities primarily, and also as I have mentioned, in a more limited degree, to the public. In commenting on the operations of my department during the recess, I do not propose to discuss details but rather to mention the salient accomplishments.

One of the more important developments in the department is the establishment of 8 regional assessment offices in the province. These offices are located at Perth, Peterborough, Toronto, London, Orillia, Sudbury, New Liskeard and Port Arthur.

At this point I should like to compliment my colleague, the hon. Minister of Public Works (Mr. Griesinger) for the very efficient manner in which his department made available the necessary accommodation. With his further assistance, it is my hope that adequate accommodation will be made available in the near future for the main office of this department, which will permit the department to render an even greater service to the municipalities.

These regional offices are now established and providing a service to the municipalities, with the exception of the one at New Liskeard, which will go into operation later this month. The purpose in establishing these regional offices was to devote more time to giving active assistance to municipal officials, so that a better assessment practice can be established throughout the province. This will be made possible by the saving in travelling time from Toronto to the various districts. Having these assessment experts more readily available to the municipalities will do much to expedite this programme.

The task of carrying out the assessment equalization programme, and the statutory duties imposed under The Municipal Tax Assistance Act, The Power Commission Act, and The Homes for the Aged Act, will be accelerated by this move. The offices are staffed by a supervisor of municipal assessment and two assistant supervisors of municipal assessment, together with the necessary clerical and stenographic help.

While these offices have been established for only a very short time, requests from municipal officials, at the offices already opened, indicate that they are providing a much appreciated service to the municipalities in dealing with their assessment problems.

In 1956, the task of making spot-check valuations in all of the organized municipalities, and all of the school sections in

unorganized townships in northern Ontario, was commenced in order to ascertain the ratio of assessment in each case.

During the past year, the number of spot-checks in the various municipalities was substantially increased, and the previous samplings have been reviewed to insure that the samplings contain the same ratio of types of assessment that exist in each assessing authority.

The ratio of assessment to which I refer is the relationship that the value at which the municipality is assessing bears to the assessed value, as determined by The Department of Municipal Affairs assessors. The value of the buildings as determined by the department assessors is based on The Department of Municipal Affairs' *Manual of Assessment Values*. The *Manual of Assessment Values* was first issued by the department in 1950, as a guide for assessors, but its use is not mandatory. It is entirely at the discretion of the municipalities.

In 1954, a second edition was issued. This was an improved edition in which we made changes to eliminate weaknesses which had become apparent in practical application. It is estimated that over 600 of the municipalities in Ontario are now using this manual, and its use is becoming more widespread each year.

Twenty-five of the 38 counties in southern Ontario have adopted the manual, and some of those counties not using it had adopted other systems prior to the issue of the first edition. However, in some instances these counties are now changing over to The Department of Municipal Affairs' manual.

I should like to emphasize that the use of this *Manual of Assessment Values* by the municipalities is entirely discretionary. However, its acceptance by the majority of the municipalities in the province, and the interest evidenced by other jurisdictions, would indicate that it is serving a very useful purpose.

The purpose of making the spot-check valuations, as I have said, is to ascertain the ratio of assessment in municipalities and school sections to the value as determined by The Department of Municipal Affairs assessors. It is quite apparent that there is a wide variance in the ratios being applied as between counties or districts, and, in some cases, between municipalities in the same county or district.

While the appointment of county assessors has been of some benefit in working to an equalized assessment basis, this has been satisfactory only in the municipalities comprising that particular county unit. Adjoining

counties have, in many instances, been applying a much different ratio of assessment to actual value.

The ratio of assessment to that determined by the department assessors in the organized municipalities appears to vary between a low of 14 per cent. to a high of 113 per cent. In the school sections in the unorganized townships, the variance ranges from 4 per cent. to 203 per cent.

The task of increasing the number of spot-checks in the municipalities is a continuous undertaking. This work also assists to a material degree in the other duties of the department, such as making valuations on government and Hydro properties for the purpose of paying grants and making the equalization under The Homes for the Aged Act, so that the cost may be apportioned in a fair manner among the municipalities supporting such a home.

On certain types of property owned by the province or its agencies, grants in lieu of taxes are paid under the provisions of The Municipal Tax Assistance Act. Also, under the provisions of The Power Commission Act as amended in 1952, grants in lieu of taxes are paid on the value of all land and on certain types of buildings owned by the Hydro Electric Power Commission of Ontario.

To determine the value of such properties, the department must review their valuations on the properties each year. In addition, the department must ascertain the ratio of value at which the municipality is assessing privately-owned property so that the municipality can insure that they are receiving their just share of grants on government property, and so that the province can be assured that provincially-owned lands are not being assessed on a higher basis than other properties.

If, for example, the department officials ascertain through spot-checks on privately-owned property that the municipality is assessing similar types of property at 130 per cent. of value, then the value on the government or Hydro property is also calculated at 130 per cent. of value.

Each year many municipalities make either a complete reassessment or an extensive readjustment in their assessment, affecting in most cases, both land and buildings. This necessitates recalculation of the affected property by department officials.

Municipalities, Crown agencies, or the Hydro may protest the valuations made by the department each year, and valuation notices are forwarded annually to the municipalities, Crown agencies, or the Hydro, so

that they may be informed of the amount of the valuation.

Another important development in the department was the establishment of the development and special projects branch on August 1, 1957.

The basic principle for the establishment of this branch was that it would concentrate its attention on:

1. Those municipalities for which the department has an immediate responsibility under Part III of The Department of Municipal Affairs Act and which are in what might be described as the development stage;
2. "Special problem" areas, including municipalities which do not come under Part III of The Department of Municipal Affairs Act;
3. Municipalities which, by reason of their proximity to municipalities falling under 1 or 2 above, it is logical to assign to this branch; and
4. Special projects which from time to time may be assigned to this branch.

The allocation of municipalities as between the administration branch and the development and special projects branch, however, is not intended to be static, as changing circumstances will require from time to time the responsibility for particular municipalities being changed from one branch to the other.

The following municipalities and developments are designated as being the responsibility of the development and special projects branch:

Cities: Sudbury.

Towns: Blind River, Chelmsford, Leveck, Ojibway, Sioux Lookout, Espanola.

Village: Bancroft.

Townships: Balfour; Blezard; Cardiff; Dowling; Drury, Denison and Graham; Falconbridge; Faraday; Hagar; Hanmer; McKim; Neelon and Garson; Rayside; Waters.

Improvement districts: Bulmerton, Bicroft, Deep River, Elliot Lake, McGarry, Manitouwadge, Marathon, Onaping, Red Lake, Red Rock, Terrace Bay.

The scope of jurisdiction of the development and special projects branch with respect to the municipalities assigned to it is essentially the same as has been that of the administration branch heretofore.

While the normally requisite supervisory activities have been carried out, the preponderant effort of the branch during its first few months of operation has been channelled

into the guidance and development of those municipalities of recent origin, for example:

<i>Improvement District</i>	<i>Erected</i>
Elliot Lake	Sept. 1, 1955
Bicroft	Jan. 1, 1958
Manitouwadge	Nov. 1, 1954
Deep River	April 16, 1956

By far the greatest degree of attention has been required in connection with the improvement district of Elliot Lake. This municipality is the result of a need to accommodate the employees of the 11 uranium mines in the area, and in just over two years it has grown from nil population to approximately 20,000 people.

An established policy of the department is that all municipal parcels of land, and lots which are to be made available for commercial or industrial purposes, must be disposed of through auction. Such auctions have been conducted either by the branch or under its auspices.

Residential properties, on the other hand, are sold initially at regular publicized sales conducted or supervised by the branch, and on a first-come-first-served basis. The residue of these and of the commercial and industrial lots may then be acquired at equitably adjusted prices through application to the municipality.

The approximate value of lot sales in the improvement districts of Elliot Lake, Cardiff and Manitouwadge as of December 31, 1957, and since their respective incorporation dates is as follows:

Elliot Lake	\$2,045,000
Cardiff	200,000
Manitouwadge	253,730

The proceeds of such sales are turned back into the development of the municipality, and are used for the provision of services for which debentures are not purchasable by the Ontario municipal improvement corporation.

The branch is required to endorse approval upon each offer to purchase, transfer of title and by-law relevant to such sales of property.

It is the responsibility of the development and special projects branch to assist particularly the new municipalities by actively participating, as far as possible, in their administration. In so doing, the members of the branch have, since August 1, 1937, to December 31, 1957, made periodic visits to the improvement districts of Elliot Lake, Cardiff, Red Lake, Bulmerton and Deep River.

Further visits, of a more restricted nature, have been made to the city of Sudbury, the towns of Blind River and Chelmsford, the village of Bancroft, the townships of Balfour and Rayside, and the town of Espanola.

During such visits, it is usual to attend and participate in meetings of councils, boards of trustees, school boards, and so on; to make tours of the fully supervised municipalities—particularly the newer ones—and as a result of such tours, to suggest implementation of beneficial innovations or methods of enforcement of municipal by-laws, etc., and to assist the municipal officials in the performance of their duties.

During the latter part of 1957, application was made to the Ontario municipal board by the improvement district of Cardiff for incorporation as a township, with consequent release from departmental supervision. Simultaneously, and by general agreement, The Department of Municipal Affairs filed an application with the board for the incorporation of the “services area” (comprised of that area of the improvement district previously subdivided as a townsite for the employees of the adjacent uranium mines) as an improvement district.

As a result of these two applications, the Ontario municipal board, after due consideration, issued its orders incorporating the improvement district of Cardiff as a township, but separating and incorporating the services area as the improvement district of Bicroft; the orders to be effective January 1, 1958.

In these arrangements, discussions and hearings, the branch actively participated and continues to assist both municipalities, with regard particularly to the appointment of new trustees for the new improvement district, the election of council for the new township, and the general functioning of the municipalities with a view to insuring continuity of administration until the resumption of normal and adequate administrative machinery.

Hon. members are, of course, aware that an amendment to The Municipal Unconditional Grants Act, presently before this House, provides for an additional \$1 per capita on the Indian population in the counties of southern Ontario, to reimburse the municipalities in administration of justice costs in connection with the Indian population.

The increase of population in the province over the past year was 200,000, bringing our population to 5.25 million people, most of whom have to be provided with services by our municipalities.

The past year or two has been a “tight money” or high interest rate period, during

which our municipalities experienced considerable difficulty in marketing their debentures. Indeed, many municipalities could not market debentures at any interest rate. The upward trend of prices and interest rates was almost calamitous for many municipalities and school boards, and had it not been for the anticipation and foresight of this government, it undoubtedly would have been an impossible situation for many of them.

During this “tight money” period this government, through the Ontario municipal improvement corporation, enabled many municipalities and school boards to proceed with essential projects. Most of these projects such as school classrooms, and sewer and water installations, would have been impossible to undertake had the situation not been anticipated, and a Crown corporation set up to purchase these debentures.

During the past year, The Department of Municipal Affairs processed over 350 applications by municipalities and school boards for financing, and presented them to the Ontario municipal improvement corporation for consideration.

I am very pleased to say that the high interest rate on municipal borrowings is easing, and already many of our municipalities are finding that their capital projects can be financed on the open market.

Since January 1, 1957, 5 new municipalities were established in the province. The township of Cardiff and Falconbridge and the improvement districts of Bicroft, Gladstone and Nakina were incorporated, and on March 1 of this year the town of Espanola came into being.

On January 1, 1958, the former village of Richmond Hill became a town, and the former police village of Caledon East became a village.

In addition, 30 municipalities increased the area of their jurisdiction by annexation proceedings; 29 of these annexations were effected by order of the Ontario municipal board.

At this point I should like to mention the Ontario municipal board and its activities.

The board at present consists of 9 members including the chairman. Its powers and duties include a great variety of subjects, and it now exercises jurisdiction under some 43 different statutes.

The most important duty entrusted to the board is the responsibility for approving or refusing to approve proposals for municipal capital expenditures under section 67 of The Ontario Municipal Board Act.

This section provides that with minor exceptions, municipal councils cannot undertake any project, the cost of which will have to be recovered in future years, without the approval of the board.

On receiving a request for approval, the board satisfies itself, among other things, that the debt to be incurred will not make the total debt of the municipality unreasonably high, and that the municipality can finance the project. In 1957, approximately 1,970 applications for the board's approval were received, and the board issued orders of approval for capital expenditures totalling \$258,634,295.

In addition to its powers and duties with respect to municipal expenditures, the board's functions and responsibilities include the approval of official plans, restricted area by-laws and amendments, and the hearing of appeals from the neglect or refusal of local councils to adopt proposed amendments to such by-laws, and from committee of adjustment decisions.

It also has power to approve plans of subdivision referred to it by the hon. Minister of Planning and Development (Mr. Nickle) and to approve redevelopment plans.

The board further exercises jurisdiction with respect to incorporations, amalgamations, annexations, or any other municipal boundary changes. It determines claims for compensation for lands expropriated by various public authorities, and has jurisdiction with respect to the closing of township, town or county roads intersecting or running into a controlled access highway. The board hears appeals from county judges on local assessments. It is required to hold a public hearing on all these applications, and usually the hearing is held in the locality of the lands affected.

In 1957, approximately 1,240 of these applications were received, and the board spent a total of 1,461 days in public hearings.

The municipal advisory committee, which was strengthened by new appointments last September, has been quite active.

The committee has held a 3-day meeting each month since October, 1957, and intends to continue this practice—meeting dates have been set to May, 1958.

Topics for study, which I refer to the committee, receive preferred treatment, but the committee is free to initiate the study of any pertinent subject. The agenda at present contains two topics to which I have referred, namely:

1. Unified administration of fire and police departments in municipalities of up to 15,000 to 20,000 population;

2. Role of the county in the light of other regional service developments such as health units.

Following each meeting, I receive a report reviewing the topics discussed, listing the persons or delegations who have appeared before the committee, either on invitation from the committee or by their own request, making recommendations and stating conclusions reached.

During the last 3 meetings the committee has interviewed representatives from 13 associations and the like, or officials—some from provincial government departments—all of whom appeared on invitation of the committee.

Recommendations have been made to me regarding vacancies in council, assessment matters pertaining to equalized assessment, the manual of assessment and assessment units in counties and districts.

The committee, in addition to the two matters to which I have referred, is continuing the study of other phases of the assessment problem, particularly pertaining to business assessment; status and boundaries of municipalities; the council; ward system and police villages.

The Department of the Attorney-General has a committee for the study of administration of justice, and the hon. member for High Park (Mr. Cowling) has been invited to attend some of the meetings. The municipal advisory committee has a continuing interest in administration of justice, and is happy to continue the liaison as it is felt that the committees may be mutually helpful.

The relationship between the department and the municipalities continues to be most amicable with mutual understanding of our problems. Our efforts to assist the municipalities with their problems is a matter of record.

I should like to quote briefly from the submission of the Ontario mayors' and reeves' association to the government of Ontario. After discussing the objectives of the association, the submission reads in part:

The association persistently pursued this objective, and has submitted some 30 briefs over the past 15 years to the provincial government—and where applicable, to the federal government—for the adjustment of the municipal financial structure.

It is very gratifying to the association to realize that these efforts have been fruitful. Why? Because the association has advanced sound proposals for the reform of the municipal position, and the government of the province of Ontario has recognized the necessity of adjusting the circumstances of the municipalities.

The association, therefore, pays great tribute to the Prime Minister and the government of Ontario for its consideration of municipal problems, and for the beneficial results which have accrued to municipalities of this province.

Such recognition is deserving of the highest commendation, and gives ample demonstration of the pursuit of the British democratic processes, to solve inter-governmental relationships between the provincial and municipal levels of government, in the best interests of the citizens of this great province.

I had the honour to address the Ontario association of rural municipalities which convened in this city on Monday and Tuesday, February 17 and 18, and I feel I must mention, at this time, the invaluable service that is being rendered by all the municipal associations in this province toward improving our municipal system. They are the voices of the municipalities of Ontario, and these voices are raised usually only after due and deliberate consideration.

In consequence, very serious consideration is always accorded by this government to submissions by the municipal associations. The associations are an important link in the chain that keeps our democratic system of local government strong and healthy.

We are always pleased to be of assistance to representatives of the municipalities or individual citizens, and extend a welcome to anyone with a municipal problem.

Vote 1,201 agreed to.

On vote 1,202:

Mr. F. R. Oliver (Leader of the Opposition): On item No. 4, would the hon. Minister say what he intends to spend the \$25,000 for? Investigations, or what has he in mind there?

Hon. L. M. Frost (Prime Minister) While the hon. Minister is obtaining the answer to that question, I may say that I draw this to the attention of the House, that the very great increase in grants to the municipalities, which this year I think run about \$250 million of our budget, and the \$33 million

increase in school grants is certainly having its effect on municipal taxation.

I see the paper in St. Catharines states a 2.25 mill reduction, I notice that in a number of municipalities, I have one here I think 7.5 mills. Now, as a matter of fact, I think that these grants are making a profound reduction, or a profound effect, on municipal taxation. I just draw that to the attention of the House.

Mr. T. D. Thomas (Oshawa): I would like to remind the hon. Prime Minister that he has quoted two or three, but there are 943 municipalities in the province of Ontario.

Hon. Mr. Frost: I think it is general, very general.

Mr. D. C. MacDonald (York South): Well, in light of the hon. Prime Minister's comment, I have an item here that I ran across some months ago, and his comment makes it exceptionally appropriate.

In the *Winnipeg Tribune*, they published, upon the basis of a study of the annual reports of a representative group of cities across this country, the per capita tax burden at the municipal level.

Hon. members might be interested to hear of a dozen or so cities across this country and what their per capita tax burden is.

Of the group that is included here, the lowest is Quebec city with \$40.87; the next lowest is Regina, \$55.81; Saskatoon, \$57.26; Montreal, \$58.60; Vancouver, \$59.17; Ottawa, \$64.97; Victoria, \$65.40; Calgary, \$67.67; Edmonton, \$68.97; Winnipeg, \$73.06; Halifax, \$75.05; Windsor, \$78.85; Saint John, \$79.48; Hamilton, \$82.24; London, \$84.24; Toronto, \$94.29. I think that is rather an eloquent comment on the hon. Prime Minister's claim that the municipal tax burden is lowered.

Hon. Mr. Frost: Well, I would point out to my hon. friend that there are different groups of comparisons. Sometimes they include in those comparisons the expenditures, for instance, on local improvements and other matters.

To arrive at that, to get a true comparison, one would have to get the basis of what is compared. I point out that there is a very considerable difference in that. Just the same as comparing, for instance, debt here in Ontario with gross debt in some other province, the calculations are made on a different basis.

Now I would point out that there is no province in Canada that is giving, if you put it this way, the per capita assistance to municipalities as is the province of Ontario.

Of course, we must remember we have very many utilities here in Ontario that the other provinces do not have, and it may be that if we calculate these things together, that gives a different picture as regards per capita expenditure, per capita debt and other things of that sort.

Mr. MacDonald: We might be comparing two different things.

Mr. J. A. C. Auld (Leeds): Further to what the hon. Prime Minister said, I was very interested in being home myself over the weekend and seeing that my own town of Brockville appears on their preliminary estimates to be having about a 4 mill reduction.

Hon. Mr. Frost: Those comments are highly encouraging.

Hon. Mr. Warrender: In reply to the hon. leader of the Opposition, concerning item No. 4, commissions and investigations: now that is a non-controllable item. But we did put in \$25,000 there, having spent about \$15,000 last year. Part of it was used by the municipal advisory committee which, as I indicated in carrying on studies into certain questions, referred to that committee. Another one was the metro inquiry commission, which went on for some considerable number of months and—I beg pardon?

Mr. H. C. Nixon (Brant): What did that one cost?

Hon. Mr. Warrender: That one cost \$11,206, mostly reporting, Mr. Crawford tells me. We had a reporter at all those meetings.

Then there is another inquiry into the situation at Copper Cliff and Frood Mines, which only came to \$805, but the point is, it is a non-controllable item. We put an extra \$10,000 over our expenditures last year, so that we would be fortified in case more of these came up.

Mr. MacDonald: Well, Mr. Chairman, there is something I wanted to raise, and I would judge it comes as appropriately under this section as any.

Last November a group of people brought a petition to the hon. Minister of Municipal Affairs from Nelson township, with regard to a matter which, I want to emphasize at the outset, is in my opinion of much wider importance than just the particular situation in Nelson township. In other words, the situation there just illustrates a problem that is general, at least in some parts of the province.

For example, after they had made their representation, the *Toronto Telegram* of November 13 quoted the hon. Minister as saying that the cabinet had received inquiries from various municipalities on the same general subject, and was making a province-wide survey of the problem—the problem of subdivision funds, how they are raised and how they are expended.

I have two or three questions I would like to put to the hon. Minister.

The first one is: From how many other municipalities across the province have representations been made to the government concerning this problem?

Secondly, why did the government not accede to the requests that this situation be looked into?

Thirdly, if they are not going to look into this one, what are they going to do about the general problem?

Now let me try to illustrate the problem to hon. members of the House, who may not be familiar with it, by drawing attention to some of the highlights of the representation that was made to the hon. Minister by this group of 300 ratepayers, and the petition from Nelson township.

They pointed out that there had been established a subdivision fund into which monies were paid from subdividers to meet some of the services requirements. They pointed out that, in the first instance, it had been laid down—I presume by a motion or some action of the council—that these funds were to be used to meet the particular requirements of the area in which the subdivision happened to be located.

They pointed out also that Nelson township council had, in the past, refused—in spite of the appeals from ratepayers and the advice of their solicitor and clerk-treasurer—to allocate these funds exclusively for such things as sewers, street lighting, and so on. They went on to note that, instead of the funds being used for the original purpose that had been laid out in the motion of the council, a portion of them were used to reduce the tax rate, the general tax rate of the municipality. In another instance, two grants of \$5,000 each were given to boy scout associations in the community, a very worthy organization.

But the question is raised as to whether or not it is appropriate to make such grants of \$5,000 out of a subdivision fund on the eve of an election. Without me quoting at length, this representation of the ratepayers points out that such action had all the earmarks of

an attempt to influence the electorate prior to an election, and therefore was a misuse of the funds. They also go on to point out that in some instances—

Hon. Mr. Frost: Who did that?

Mr. MacDonald: Who did which?

Hon. Mr. Frost: Was it the council?

Mr. MacDonald: The council, yes.

An hon. member: How many boy scouts had a vote?

Mr. MacDonald: They were really looking forward to the future in this instance, I assure the hon. Prime Minister.

They also point out, Mr. Chairman, that the manner in which these funds were raised varied from one subdivider to another. In some instances there was a fixed charge; in other instances, they had an alternative procedure in which they accepted park lands, but had no independent assessment of these park lands.

In short, not only were there variations in the way the charges were levied; there were variations in the way in which they were spent, and in some instances they were spent for purposes other than originally specified.

The conclusion of this representation pointed out that the collection and disbursement of the monies in these funds is not covered in any section of the Act.

As a result, ratepayers find themselves in an unenviable position, when it is suggested that such irregularities should be dealt with in the courts, for they have to take each specific case into the courts even though it is a general problem.

I shall not go into more details—because, I repeat, Mr. Chairman, I am not so much interested in the specific details of the Nelson township case as in the general problem which they illustrate.

What is the government going to do about this kind of thing? It seems to me that we have reached a point where thousands of dollars, in fact millions of dollars across the whole province, are now being raised in what may well be an irregular fashion.

Furthermore, they are being spent in an irregular fashion, conceivably all in violation of the Act and certainly leaving the door open for procedures that are to be seriously questioned. If the government was not willing to move in this specific instance of Nelson township, what is it willing to do as a means of coming to grips with the overall problem?

Hon. Mr. Warrender: Well, Mr. Chairman, taking the Nelson township case first, may I say that some ratepayers did appeal to me through their solicitor, and they wanted an inquiry set up to look into what they thought was improper use of certain funds which they said had been set aside in a trust fund.

In order to get the whole story, because one cannot often be guided only by the one side of the story, I had the municipal officials in and heard their side of the story.

I could not conscientiously, having heard both sides of the story, recommend to the government that there should be an inquiry set up to look into this matter, because I came to the conclusion that there was nothing improper about what had been done at all, and for this reason:

The main tenor of the complaint of the ratepayers who came in was that this money was supposed to have been set aside in a trust fund, with all of the implications there is in that word. Having looked into it, I found out, from the municipal officials and from the clerk of the township itself, that there was no trust fund in the strict sense of the word, that it was just a fund which had been set aside not definitely for the use of that area, and when there was a surplus or when they wanted to use it for certain purposes, they did so. They were permitted within the law to do that, so I recommended against the inquiry.

There is no trust fund as such at all.

I took the attitude that if the councillors, whether it was in the dying session, or a previous year just preceding an election, wished to use that money to help the local boy scouts, that was their responsibility. Furthermore, I took the attitude that if they wanted to use the surplus from this account, which was not a trust account, to help reduce the mill rate, that was their local responsibility, and they would have to answer to the taxpayers for it.

Coming to the last question, or the latest question—there will probably be more—the hon. member asks: What is the government going to do about this?

Well, the hon. member will notice that there already is one of the Acts which says, in effect, that monies raised from subdividers shall be put in a trust fund and used specifically for that purpose, and when the benefits to be derived from that fund—shall we say—have been exhausted and there is a surplus, that surplus with the consent of The Department of Municipal Affairs then

can be turned over and be used for other municipal purposes.

That is the answer, generally, to the question.

Mr. MacDonald: Mr. Chairman, I just want to draw this to the hon. Minister's attention. He is aware that, in the first instance, this fund was described by the local council itself, when it passed the motion, as a subdivision trust fund. They subsequently changed its name when it was being used for other purposes than originally designated. They changed its name to special permit fee. It seems to me that if names mean anything, a subdivision trust fund is just what it says.

Hon. Mr. Warrender: Well, as I said, I looked into the matter very closely, and came to the conclusion that it was not a trust fund in the strictest sense of the word, and the clerk of the township agreed with me that it was never meant to be a trust fund; it was used loosely for other purposes. I felt it was the responsibility of the local elected persons, if they wanted to use the money in that way.

Mr. R. Whicher (Bruce): I would like to ask the hon. Minister a question in connection with the payment towards the cost of county district assessors. In his few remarks before he came down to the front seat, he mentioned the fact that this manual—that the assessors use or may not use across the province—is put out by his department but it is not mandatory.

My question is simply: Why is it not made mandatory? And why does the department not have its own assessors? If it is going to be a completely equalized assessment across the province of Ontario, it seems to me that the only sensible thing to do is to have a manual that all the assessors can go by, and can be made to go by, and secondly, that the department should have its own assessors, so then there is no question of having an equalized assessment across Ontario, it will be done.

Hon. Mr. Warrender: Well, in answer to the first part, Mr. Chairman, may I say that amount covers, and there is no increase from last year, the \$1,500 grant to each of the counties, to each of the county assessors.

I might say, in answer to the latter part of the hon. member's question, that by using this and other devices, as the hon. member will remember, I spoke about opening up the regional offices, which at this time are

primarily meant for guidance in the assessment field.

By using that and other devices such as this, we hope without using force we can bring about gradually an over-all equalization of assessment throughout the province both in the south and the north.

Now, the hon. member might ask why we do not make it mandatory. Well, it is not the wish of the department, nor I think the wish of the government, that we should push these municipalities around to say "you are going to do this or that about assessments." We try to guide them and assist them to come to the general principles of the manual of 1954, so that all, generally speaking, are on the same level, and being assessed the same way.

We do not think the mandatory order is necessary, because gradually we are reaching that same objective without it, and this is one way in which we help encourage the counties within the county unit, the regions within our regions now as we have it set up, gradually, as I say to come within the 1954 manual.

Mr. Whicher: May I ask the hon. Minister how many assessors he has in his regional offices, and assisting in this equalization of assessment process that he is now having across Ontario?

Hon. Mr. Warrender: Do these offices assist, does the hon. member say?

Mr. Whicher: I would like to know how many assessors, I want to compare them to the number of county assessors, that the department has, in number.

Hon. Mr. Warrender: In regional offices?

Mr. Whicher: How many are in the employ of the department? How many assessors does the hon. Minister employ in The Department of Municipal Affairs?

Hon. Mr. Warrender: 24 assessors.

Mr. Whicher: 24 assessors. Then how many are there—

Hon. Mr. Warrender: 24 in the regional offices.

Mr. Whicher: Does that count the spotters?

Hon. Mr. Warrender: Yes, that counts the spot-checkers.

Mr. Whicher: And how many county assessors are there at the present time?

Hon. Mr. Warrender: 6 out of the 38.

Mr. Whicher: Well now, the hon. Minister has 24 employed. Does this sound reasonable? There are 24 employed in the department at the present time, and there are 38 employed by the counties. Now does it not sound reasonable if the hon. Minister had 38 employed himself, one for each county, that he would not need all these regional offices, and he would be able to go right ahead because every assessor would be under his direct order? He has inspectors inspecting inspectors.

Hon. Mr. Warrender: Well, if we did it the way the hon. member suggests, we would have 38 regional offices, one in each county, is that the idea?

It is working out pretty well the way it is. We have the province divided up into 8 regions, and they are certainly more readily accessible to those municipalities within the 8 regions. I think the hon. member will agree that is better than to have the assessors working out of a central office, and having to move out all the time and travelling back. These people are very close to them, and are readily available to give them information and guide them with their assessment problems.

Mr. Whicher: Each assessor, of course, is a human being and each one is working for his own particular county, and I fail to see the reason he wants to have an equalized assessment across the whole province, when the simplest way is to have his own assessors do the assessing.

Hon. Mr. Frost: Well, I know, but the hon. member would recognize this at once if we did that, that would be tantamount to imposing on a county or a municipality a provincial assessment. I think the hon. member will agree that the demands of municipal autonomy are such that it would not be very well taken by the people of the province, or by the people of the municipalities. I am satisfied it would not.

Now, what is being done is this: I would say a great step towards equalization of assessment in the province was taken with the introduction of the per capita unconditional grants. We are getting away there from the matter of giving grants on the basis of assessment. I think that was one great step.

Another monumental step, undoubtedly, is the matter of provincial equalization of provincial grants to education. The minute that was undertaken and was done, some of the difficulties in it were shown up, I mean the difficulties of bringing everyone up to an equalized assessment, for instance at once imposing, say, a 100 per cent. assessment

according to the manual. Those things are the ideal solutions, but they bring about very many pressures in doing it.

I give an example which is close to home with me:

My hon. friend mentioned the other day that the assessment, for instance in the county of Haliburton is low, well, that is generally speaking, true of all that section of Ontario which lies generally east of Georgian Bay, and is on the pre-Cambrian shield which juts down into the St. Lawrence area.

Now, in looking at that area, the assessments are low. As a matter of fact they are so low that I think people in very many cases are cheating themselves out of what are legitimate sources of taxation—summer hotels and all that sort of thing—but it has grown up that way.

Now the difficulty of, by a stroke of the pen, bringing them up to, say, 100 per cent. assessment which is the ideal amount, is a difficult one.

The Department of Municipal Affairs this year has gone into the township of Cardiff. There they have the uranium mines, and my hon. friend mentioned the township of Cardiff this afternoon—a bush township, one of these little back eddy townships that has an area which has now assumed very great importance.

That township is being assessed to 100 per cent. That is going to have its reflection in the county of Haliburton. When those people go to county council, there obviously has to be an equalization to bring the other townships in line with that, and that in itself is going to bring to the attention of the people there that they are losing very greatly by not having a proper assessment.

Again, it has its troubles and its adjustments and the various implications which would run with it, and we have to take a bit of time with them.

Now, I dropped into a county council not long ago in one of the development areas such as Haliburton, and I was talking to them about that problem. They recognized that to do this brings about adjustments, for instance in road grants and education, although the effects of that are less than they were before, very much less, and as a matter of fact their assessment has been provincially equalized along with all others for provincial grant purposes.

I think that we are getting close to the point where municipalities are voluntarily going to come into a proper system of assess-

ment, but again I say, to say that we should do it by a stroke of the pen and make it mandatory, that is pretty drastic action.

Mr. Whicher: Mr. Chairman, to a large extent I agree with the hon. Prime Minister. I realize it is a very hard thing to do, and I would not want to see it done by a stroke of the pen either.

But on the other hand the department has imposed provincial assessment on all the counties across Ontario as far as education is concerned, and it has, by putting a base to it, protected the lower assessed municipalities in the past.

But in the next 5 years or so, they are all going to go up to that 100 per cent. level, there is no question about it, in the next 5 or 10 years, we will say, anyway.

Now inasmuch as the government has imposed this assessment as far as education is concerned, certainly on the counties, I do not want to pursue it any further. But it seems to me that the simple way to do it is to have its own assessors.

And I want to leave it at that, and I want to ask the hon. Minister if he could tell me anything about the training of these county assessors. I know they can go to his offices and get instructions, but do they come down to the department here and get any particular training or any assistance?

Hon. Mr. Warrender: I am told they are called in at regular intervals throughout the year, and they have conferences at which problems are discussed, individual problems, or perhaps problems of concern to all are discussed, and in that way it helps them with their local duties.

Mr. Oliver: Mr. Chairman, to go back to the question of assessment, I would like the hon. Minister to tell me just how he arrived at the provincial assessment. What formula was used to arrive at the provincial assessment for purposes of the educational grant, how near perfect does he think that is, and how did he arrive at it? I am quite interested in hearing the hon. Minister on that point.

Hon. Mr. Warrender: Well, it is not suggested that it is perfect, Mr. Chairman.

Hon. Mr. Frost: Probably a long way from being perfect.

Mr. Oliver: They used the wrong word there, I am sure of that.

Hon. Mr. Warrender: As a matter of fact, they tell me that sampling has become quite a science. By sampling, I mean that an expert

in the field can go into a given municipality, he can take the 3 different forms of assessment—residential, commercial and industrial—and they tell me that if he starts, say, with the residential, that he can tell after a very small number of samples whether or not that particular assessor in that municipality is anywhere close to the manual of assessment that we have.

By a process of sampling, they tell me, in some cases there have been as high as 400 spot-checks made in a municipality to ascertain if the assessor in that municipality is close to the standard of assessment in our 1954 manual. They tell me the result, although not accurate, not perfect, nevertheless is a very good indication of the standard of assessment being used by the assessor.

So based on that, according to the equalization factors we worked out for each municipality and school section, we feel there is equity between and among the municipalities in the province for educational grant purposes.

Mr. Thomas: Mr. Chairman, in line with the remarks of the hon. Prime Minister, I would go along with him if we were making any progress. But the hon. Minister stated this afternoon that we have 34 county assessors in 38 counties. Now, is that right? 36?

And also in his remarks he mentioned that only just over 600 municipalities were operating under the provincial manual. Now, he gave the same figure last year. We are not making any progress. The hon. Prime Minister asks if we can make it mandatory. I do not think we can. Of course, we have to leave the autonomy with the local municipalities.

Hon. Mr. Frost: The hon. member's memory may be faulty.

Mr. Thomas: It is going to take so long that we might just as well forget about it, unless we are prepared to show vigorous leadership to the municipalities. If we are going to pay \$1,500 to the salary of the county assessor, we have to be much more forceful than we have been in order to go in and insist that this assessment manual be put into operation.

If we are not prepared to do that, as I said last year, we might just as well throw it into the wastepaper basket.

Hon. Mr. Warrender: Well, Mr. Chairman, we are making good progress.

Mr. Thomas: I do not think so.

Hon. Mr. Warrender: But we are not going to use a gun, that is what it amounts to. I do not know what figure I used last year, I have not checked with my speech of last year.

Mr. Thomas: Just over 600 last year, the same as this year.

Hon. Mr. Warrender: May I say then that out of a figure of 972, that is pretty good, but within those 600 which we are already working on, we have, as I say, used these separate devices, not only this manual. The fact that we are helping the county assessor, the fact that we set up these regional offices, all of which we think is going to be an incentive to those municipalities, even to those 300-odd remaining which have not yet assessed according to the manual, it is an incentive to those to come within the manual without using the mandatory provision.

Mr. MacDonald: Mr. Chairman, will the hon. Minister explain why, when he commented on the public outcry that emerged in the metropolitan press with regard to the equalization factors, that he contended there was no unfair taxation or distribution of taxes? If the equalization factors range, as I recall, from 98 to 111, how can the hon. Minister say that there is not an unequal distribution of the burden of taxation in the metro area? If not, then his equalization factors are so inaccurate as to provide a range of 11 per cent. to 13 per cent.

Hon. Mr. Warrender: May I answer, Mr. Chairman? As I indicated at that time, at first it appeared to people in that area that someone was being short-changed or victimized.

The fact is that I made it clear that while we in The Department of Municipal Affairs for equalization factors were using our manual, we were using certain factors, weighted in certain ways according to the opinion of our assessors for one purpose, for the purpose of trying to give equitable treatment to all the municipalities in the province for educational grants. That is one field.

On the other hand, Mr. Gray, who has what I call the Gray system, has never, I am told, assessed according to the terms of the 1954 manual, our manual. Therefore, there is bound to be a difference between the two ways of assessing, and there is bound therefore, to be two different answers.

But, when Mr. Gray was assessing, he was assessing for the purpose of arriving at an equitable rate for the areas and municipi-

palities in Metropolitan Toronto. When we were assessing: we were trying to arrive at an equitable rate or schedule for all of the municipalities in the province, which was another purpose, for educational grant purposes.

So it is quite right, all parties now agree, there has been no objection since I made that explanation. It is now agreed that in one sphere, for one purpose, they may assess for those purposes, although the differences may be where one is assessing for another purpose, the differences may look like there is an inconsistency or an injustice. Actually there is not because each is assessing for a separate purpose, and each is using its own standard of assessment. Does that make sense to the hon. member?

Mr. MacDonald: Well, I will not say. I will take that home and think about it.

Hon. Mr. Warrender: Well, let him think about that, and I think that he will find that it is correct. Everybody is quite satisfied right now.

Mr. Oliver: In item No. 7 in the main office vote, payments in lieu of certain municipal taxes: now, if we look up the public accounts of 1956-1957, we will find that the amount in there was between \$600,000 and \$700,000. This year it is \$850,000.

Now two things stick out, it seems to me, out of that \$600,000. In 1956-1957, Toronto got over \$400,000 out of the \$600,000.

Now the other thing that sticks out is that in some places, some villages, I notice one here, Landers village for instance, got \$1.88. Now what sort of a service does the hon. Minister pay for in lieu of taxes? Does he pay for in the amount of \$1.88, and how does it come that Toronto got \$400,000 out of the \$600,000?

Hon. Mr. Warrender: Well, I am not familiar with the situation that exists in that small municipality, nor am I familiar with—well, the answer is this, as the province buys more property either through The Department of Public Works or through The Department of Highways, we have to make grants in lieu of taxes.

It may be that in this one small municipality, the hon. leader of the Opposition talks about, The Department of Highways may have picked up a little lot or something, and we would have to give a grant in lieu of taxes on that one little piece of land.

Now whereas in Toronto, where we have these great buildings that we now occupy, plus a lot of other buildings, we are picking

up for our governmental purposes whether it is needed for The Department of Public Works or The Department of Highways, we have to make grants in lieu of taxes, and that is why it is so high in the city of Toronto, because there is a greater accumulation or concentration of those buildings in line here.

Mr. R. J. Boyer Muskoka): Mr. Chairman, I would like to draw to the attention of the hon. Minister the fact that one provision of The Assessment Act has been under discussion in the tourist areas for some time. I refer to the matter of the business assessment on summer resorts. Under section 124 of the Act, prior to the year 1953, it was possible for a business, which operated for only part of the year, such as a summer tourist resort or summer service establishment, to appeal to the local municipal court of revision to make adjustments according to that portion of the year in which the business did not operate.

In 1953, however, an amendment was made to section 124 of the Act, and the interpretation is that a court of revision no longer can make such an adjustment and the municipality must charge business tax for the entire 12-month period on a business which is open perhaps for only 3 months.

Now, those in the north who are in the summer resort business claim—and this is one of their statements—that “no valid reason has ever been given, why this unfair amendment was enacted.” That is the quotation.

I would like to ask the hon. Minister if he will give consideration to restoring the situation to what it was prior to 5 years ago, and in this way make the legislation permissive so that a local court of revision may make its own policy with respect to the business tax to be applied on a seasonal operation.

Hon. Mr. Warrender: Yes, I would be glad to do that, Mr. Chairman.

Hon. Mr. Frost: Mr. Chairman, before we leave the main office vote, may I refer the hon. members of the House to something which, while it is not in the estimates, is nevertheless something that is rather implicit in the matter of the estimates of The Department of Municipal Affairs, and that is the effect of seasonal unemployment in this country.

Now, of course, seasonal unemployment is reflected in municipal costs and relief rolls and while the amount of the estimate is in

The Department of Public Welfare, nevertheless it does affect the municipality.

Now, sir, I was very much interested the other day in reading a paper, “Seasonal Unemployment in Canada, 1951 to 1957,” by Douglas Hartell of the University of Toronto. It appears in the latest issue of the *Journal of Economics and Political Science*, and it is very well worth giving consideration to.

Now I am not saying the conclusions of Professor Hartell, I presume it is, are correct. But nevertheless it at least provides food for thought.

Now the tenor of his paper is this, that seasonal unemployment during the last half-dozen years has been on the increase, and that very probably it will be on the increase from now on. Now if such is the case, it deserves attention from this standpoint that perhaps every effort should be made to reverse those trends.

Now, what he said roughly was this, he ascribed these reasons as possibly the reasons for the increase in winter unemployment, and he pointed out that, in the last 6 or 7 years, despite all the high employment in Canada, still there was that trend in the increase of unemployment in winter time.

He ascribes it to these reasons:

One, the highly seasonal sub-industry components of main industries distinguished as he mentioned, and that it expands more rapidly at certain times and they affect the seasonal unemployment to an increasing extent.

Now, there are some industries that are running counter to that. I think that pulp and paper, for instance, is one because they are now working on a year-round programme. But, on the other hand, there are others that are not, and they are increasing the incidence of work in certain seasons of the year.

The second is the seasonal pattern of demand for goods, and he says that may be shifting, in other words that people's tastes and requirements for certain goods are shifting which again leads to seasonal unemployment.

The third is, changes in industrial cost structure may be taking place which may make the operations increasingly unattractive.

The fourth one is, that since a growing proportion of the labour force is eligible for more generous unemployment insurance benefits, workers are perhaps becoming less anxious to find winter work, and employers—I think that this is important—may feel increas-

ingly less impelled to provide work as they were in other years on account of that.

Now, sir, may I just draw the attention of the House to that paper. It is very well worth reading. Hon. members might disagree with its findings and its conclusions, but nevertheless, it may be that we are the cause of these things and other things, we are coming into a pattern of more unemployment in certain months of the year.

Mr. MacDonald: Mr. Chairman, now that the hon. Prime Minister has raised this question as to winter unemployment, there is something that I would like to draw to his attention.

Some time ago, when I asked him a question about layoffs on the Ontario Northland Railway in the winter time, in contrast to the fact that the Canadian National Railways had announced on January 24 that there were going to be no layoffs during this period of high unemployment, the hon. Prime Minister treated my question rather roughly. His comment was that there were not very many layoffs; that, in any case, the man was just bumped down the seniority list.

But on the Ontario Northland Railway this may mean that the workman has to move from Kirkland Lake to North Bay or Moosonee, or anywhere along the line, to get the next job. And finally, the bottom man on the seniority list gets laid off. So the complete result is a lot of inconvenience, and finally a man is laid off anyway.

Now, in contrast to this attitude of a publicly owned industry, the Ontario Northland Railway which the government controls, I must confess that I was most interested to read what the hon. Attorney-General (Mr. Roberts) had to say on Saturday, when in speaking to a political meeting down in Kingsville, and in reference to International Nickel laying off people and providing no end of political embarrassment for the Conservative candidates in the last two weeks of an election campaign, he makes this comment:

These leaders in the nickel industry and the International Nickel Company should take another look at the profits which they were able to accumulate during the period and release that to the employment of workmen to see if they can give some leadership in something other than a negative direction.

The hon. Attorney-General went on to point out that industry as well as government should assume some responsibility.

Now my question to the hon. Prime Minister is, how does he reconcile this approach of the government laying off people in the Ontario Northland Railway and the hon. Attorney-General brow-beating Inco for laying people off?

Hon. Mr. Frost: Well, I would say to my hon. friend that with the Ontario Northland Railway the total adjustment in staff, I think, was only 8 or 9; 6 in this province and 3 in the province of Quebec. Now, I think that he would agree that that is not anything in the form of a mass layoff.

I would say to my hon. friend, I think he would agree with me on this, that where there are government commissions in business, whether it be in Hydro or the Ontario Northland Railway, they should use the same methods of business efficiency that there is every place else.

But I point out to my hon. friend that was not predicated upon.

First of all, the point I raised here was about seasonal layoffs but this was a question about an adjustment in arrangement which comes about by automation or something of the sort, or it may come about from a variety of things. I would say to my hon. friend that we are here, of course, endeavouring to stimulate a type of seasonal employment, as my hon. friend knows. I would say that with the Ontario Northland Railway—in looking into those cases and looking into each individual case—really I could not find any ground for objection.

What was being done was an adjustment of their methods and their staff to meet present conditions. It was not a matter of a layoff caused by the seasonal effects of or economical effects on the railway or anything of the sort. It was a question of an adjustment to, I suppose, streamline their way of doing business to more effectively meet the demands of the future.

Mr. MacDonald: Mr. Chairman, the hon. Prime Minister cannot have it both ways. He says that the Ontario Northland Railway cannot be expected to operate on an unbusiness-like basis. Therefore, the Ontario Northland Railway lays people off.

I just say, in passing, that whether there is 8 or 800, the impact on the workman laid off is just as great and his family is going to have just as great a suffering.

Now, if the hon. Prime Minister argues that business efficiency dictates that the Ontario Northland Railway should lay them off, how can the hon. Attorney-General argue that business efficiency is not a valid excuse

for Inco laying off 1,000 people? They cannot have it both ways.

Hon. Mr. Frost: I may say that the hon. Attorney-General's speech was not discussed with me, but I understand that it has to do with the suggestion that there should be stock-piling. I do not know whether that is practicable or not, but that was the suggestion that he made, of stock-piling nickel in times of low use for other times to provide a steadier type of employment.

Now I could not begin to pass on that, and I do not think that anyone in this House could. As a matter of fact, I have raised a somewhat similar point in connection with the motor industry. I would like to see the motor industry provide a more even employment, rather than get high peaks of employment with high depths of unemployment, that the poor municipalities and the government have to be taken care of.

I would like to see that done and I think perhaps industry and government and everybody else should look at that question of perhaps trying to level off business activities and keep them on an even keel, so that they can take care of people without laying them off.

Mr. MacDonald: If this is the kind of thing the hon. Prime Minister is investigating, I think he is really getting to the heart of the problem.

I draw another case to his attention. In an industry, where presumably it is possible to do some planning, for years I have been completely mystified by the conduct of the farm machinery manufacturing industry. Consider Massey-Harris, where there may be layoffs, then suddenly they get an order and the men are called back for not only an 8-hour shift, but two 8-hour shifts, even three 8-hour shifts. After a few weeks of this intensive production, they are laid off again.

It seems to me that it is possible to get some more planning into an industry so that they do not treat workers as though they were a commodity to be bought and sold, just dumped out on the market if it suits management's own particular purpose.

However, I leave that, because I want to ask the hon. Prime Minister or the hon. Minister a question with regard to something which, until now, has been omitted from all discussion of The Department of Municipal Affairs.

About a month ago there were great headlines in the province about the government's relief project, this \$5 million "me too," effort to help "Honest John" in face of an election.

How many projects, or more important, how many men are involved in projects to which the government is going to be contributing financially?

Hon. Mr. Warrender: I have not the full report by reason of the fact that, even though we ask the municipalities to do it, they gave us what it might cost the government for their proposed project. They give us the number of men. I think in some places it was almost impossible to do this.

In any event, the total number of municipalities so far—and I might say there are more inquiries coming in every day—are 76 municipalities. The total—even though I say we have not the number of men or the dollar amounts attached to it—the total number of men is 2,346 so far, and I say there are some blanks here because they do not know what number of men to attach to a given project. The amount of money involved so far is \$1,859,756.41. That as I say—

Mr. Whicher: Is that the government's money?

Hon. Mr. Warrender: That is the total, 70 per cent. of what will be ours.

Mr. Whicher: Not necessarily, because they are including the material and everything else.

Hon. Mr. Warrender: I do not know what they have included.

Hon. Mr. Frost: In answer to my hon. friend's question that we have not changed at all the proposal that was made here in the Legislature 6 weeks or so ago—

Mr. MacDonald: Just as bad now as it was then.

Hon. Mr. Frost: —we have no intention of changing it, I think that it is a very excellent proposition. In the places that are embarking on it, it is working out very satisfactorily.

The employment with the coming of the spring is bound to increase. The hon. member will find, I think, starting about now with more outdoor work, that there will be a very considerable volume of employment in the next couple of months.

Our contribution to employment is first of all, I should say, providing the environment in this province in which work and development and employment can take place.

I was very much interested this morning as, coming into this city, I drove down highway No. 401 and came in by way of Eglington Avenue, the golden mile, so-called, and

then the extension of Eglinton Avenue into the city, and I remarked to the driver on the very large number of developments that are commencing at this time.

I imagine that there must have been, in the short space of two or three miles, perhaps 30 developments of magnitude that were commencing with the coming of spring.

Now when I say provide the environment to do work, I mean providing the ways and means by which people can do things. I would say the creation of Metropolitan Toronto for instance is one thing, with all of the other things that run with that, which have led to, and are leading to, development.

The second one is our own contribution to employment which this year runs, in round figures, to about 255,000 jobs, which is just coming into its general effectiveness about the beginning of the coming months.

The other plan that my hon. friend mentions was purely, and is purely, a matter that is directed at the seasonal problems of employment for those who have no unemployment insurance. That is the purpose of it.

I recognize that, of course, there might have been some disappointments municipally. They might have said: "Now here, we would like to have a grant of \$1 per head of population."

Well, that is very attractive. I do not blame them for wanting that. But on the other hand, I think it is probably our job to try to assess this thing, and to place our money at the points where it can do the most good. I forget the figures in Metropolitan Toronto—it seems to me that there are some 1,200 men here in this area who are employed under that plan and it is doing a good job. We are having—I beg the hon. Minister's pardon—

Hon. Mr. Warrender: 1,500 in Metro.

Hon. Mr. Frost: —1,500 here in the metropolitan area that are getting employment. Now they were people who ordinarily would gravitate down to the relief rolls—no unemployment insurance.

As a matter of fact, I think we will find a very considerable increase in that list in the next couple of months when weather conditions are better.

Mr. MacDonald: Mr. Chairman, I do not want to pursue this very much further other than to make this comment.

The government defends most vigorously the thing that they know is most vulnerable.

I can remember the hon. Prime Minister rising and turning around to his hon. Minister behind him, and very dramatically slapping the letter from the metro authorities down, and saying: "Now these men can go to work tomorrow."

Hon. Mr. Frost: They were.

Mr. MacDonald: They were not at work 10 days afterwards. The significant point is that 6 weeks afterwards only 2,300 people are at work, according to the figures the hon. Minister has just given us. May I remind him that in his budget the hon. Prime Minister told us that there were 40,000 people in this province who are not drawing unemployment insurance, so out of 40,000 people who were not drawing unemployment insurance this highly publicized plan announced on the eve of an election has provided only 2,300 with work. There is the answer right there.

And the hon. Prime Minister needs to talk awfully fast to make that into a good thing.

Hon. Mr. Frost: No, I would not say that at all. I point out that there are some 76 municipalities. Now, at this time, we know of 2,300 that are at work but I suppose the hon. member could probably add another 1,000 to that for the ones that we do not know are at work, and I would say with the coming of the spring weather the hon. member will find there will be a great many others at work and I think the plan is a very good one.

Mr. A. Grossman (St. Andrew): What is the government's alternative?

Hon. Mr. Frost: What alternative is there?

Mr. Thomas: Mr. Chairman, I have no intention or desire to embarrass the government in any way at all, but one of the 72 municipalities that have made inquiries is the city of Oshawa, and they discussed this programme the other week, and they recommended to pass by motion that the chairman of that committee—

Hon. Mr. Frost: Oshawa is not on my list. I would like to get them there.

Mr. Thomas: Just a minute, now just a minute—bring a report to find out if work could be provided for these men. I may say, Mr. Chairman, that while I have no desire to embarrass the government, I am quite sure that the city council of Oshawa has no intention either, because about two-thirds of the hon. members, I think, or 75 per cent. of them anyway, are supporters of the party of the hon. Prime Minister.

Hon. Mr. Frost: Say that again.

Mr. Thomas: You may be cheering a little too early there. The report brought in by the chairman of the board of works, Alderman Walter Branch, is this, and I quote from the *Oshawa Times Gazette* of last Tuesday.

Alderman Walter R. Branch presented a report prepared by the city's engineering department, which said that to employ 10 men for brush clearing under the provincial government scheme to relieve unemployment, would cost a total of \$8,600.

Although under the scheme the province was to pay 70 per cent. of the costs, it worked out that, after the expense of trucks and supervision to operate the scheme, the city would have to pay \$4,500. and the province \$4,100.

Alderman Branch pointed out that alternatively 20 men could be employed on the scheme for a period of 4.5 weeks' work, and stated that while relief is no substitute for work, Alderman Branch added that the cost of supporting 10 men for 9 weeks on relief was \$2,700, of which the city had to pay 20 per cent., which would be \$540.

Now to keep these men on relief for 10 weeks would cost \$540 and under the scheme that the hon. Prime Minister is suggesting it would cost the city \$4,100.

I am going to suggest to the hon. Prime Minister in all fairness, and I know he wants to be fair on this anyway, that the only municipality that I can gather that was consulted about this scheme before it was introduced was the city of Toronto, metropolitan area. The outside councils or municipal councils were not consulted in any way at all, and while I go along part of the way with the hon. Prime Minister, that it may be beneficial in a large area like Metropolitan Toronto, where we have a large number of parks and things like that, in the average municipality it is of no use or assistance at all.

I am very, very sorry to hear the hon. Prime Minister say this afternoon it is going to be as it is, and not revised in any way at all, because I think he should revise it. If he is going to be fair to these people outside, then I think the hon. Prime Minister should revise it.

Hon. Mr. Frost: May I say to my hon. friend that the plan was revised after consultation with the various welfare organizations who came to us specifically about this, and I would say not only from Metropolitan Toronto but some of the other municipalities. I cannot recollect them at the moment, but

I could find out. I would say to my hon. friend this, that I was interested to get a clipping just a moment ago—I am getting like my hon. friend from York South—I am beginning to read newspaper clippings here; well, just the other day in any event—

Mr. Whicher: What date?

Mr. MacDonald: We have been both chastised.

Hon. Mr. Frost: I think it is so current that I do not have to give the date. Mr. Rupert, who is, I think, one of the ablest relief men in Ontario and in charge of the Metropolitan Toronto relief service, said here:

Every able bodied reliefee who wants work is employed on the projects. The government-sponsored works projects have been a good thing, he said. They have done the job needed. He said that jobless men are now being hired by the national employment bureau.

Now, that is in the course of the last week.

Mr. Thomas: What paper?

Mr. Oliver: I would like to ask a question in relation to this matter. He mentions there are 2,300 people at work, how many of these are from the city of Toronto?

Hon. Mr. Warrender: 1,500 in the Metro area.

Mr. Oliver: How many other municipalities have entered the scheme?

Hon. Mr. Warrender: The number is 76 municipalities. Seventy-six altogether have entered the scheme.

Mr. Oliver: Seventy-six have entered the scheme?

Hon. Mr. Frost: In addition to the 76 municipalities in the scheme, the province is itself conducting in its own way, similar works in connection with highways, highway parks, access roads and things of that sort. My recollection is that the last figures indicated there were around about 5,000 employed in that, in those various ways, in forest access roads and provincial parks and a host of other things which, of course, in very many of the municipalities take up the unemployment slack pretty substantially. Again I am only using round figures but I think it is about that.

Mr. Oliver: I would ask the hon. Minister if he will in some way let me have a list

of those 76 that have entered the scheme and how many are employed from each municipality?

Hon. Mr. Warrender: I could give that, but as I say—excuse me one moment—I just want to make it clear that the hon. leader of the Opposition will notice there are several blank spaces here, with the number of men supposed to be set out, also the amount of the project, because in spite of the fact we asked for the information they did not give it. So, as I say, all we have registered is a total of 2,346 persons in an amount of \$1.859 million. But if all these blank spaces were filled in, which will have to be done when they have completed the job, in writing for their cheques, that would give the complete story. But until they do the job, and give us the information, I will not have the complete picture.

Mr. MacDonald: What will the hon. Minister have then?

Hon. Mr. Frost: I point out to the hon. leader of the Opposition that at the present time on these works which, as I say, are purely seasonal, the works that we have on access roads and with the municipalities, that at the present time there would be in the order of about 8,500 men and perhaps some women, I mean provincial and municipal, and that does not include those who cannot be assessed on that list.

Now I think that is a very creditable showing indeed.

Mr. A. J. Reaume (Essex North): Mr. Chairman, I have here a quote from one of the papers here, and I can name at least 20 people, the heads of various places in the province, the mayors or the reeves who said that your plan is not any good.

Hon. Mr. Frost: They do not know.

Mr. Reaume: They do not know? Well, how about Hamilton? Hamilton say openly it is not any good, Owen Sound, Chatham, Kitchener, Guelph, many places; it becomes obvious the plan is not workable and the hon. Prime Minister will not alter it.

Now I was home over the holiday, and the city of Windsor has stated that they do not want the plan. Now, who wants it? Does the hon. Prime Minister want it?

Hon. Mr. Frost: How would the hon. member alter it?

Mr. Reaume: How would I alter it? If the hon. Prime Minister wants to open up an

advertising agency known as the Frost agency, why does he not give them a grant and not tie any strings on it? Let him hand it over to them.

Hon. Mr. Warrender: Hamilton does not want it and Windsor does not want it. In the first place, Hamilton is now working on a scheme, and I hope to hear from there soon about how they are going to put their men to work in the next two months.

Today I had a meeting with—they are getting geared up to do these jobs as I understand, by April 1. Today I had his worship the mayor of Windsor in to see me, it not that he is not interested in it, they are trying to devise some way whereby they can take advantage of the scheme. He told me he would be in touch with me soon, and let me know what he had in mind for the building of sidewalks and repairs and other projects.

Mr. Whicher: Have they not got any leaves down there?

Mr. Thomas: They cannot build sidewalks.

Mr. Reaume: That is the part of the plan—that is the part of the plan that actually is not any good, it is hard for all these places to take advantage of the plan, so if the hon. Prime Minister would alter it some—but he has stated no.

I would say this, that the places that are affected the worst—indeed the city from which I come, I think, is the hardest hit place in the province—why does he not give them a grant for the purpose of instituting whatever kind of a public works scheme they wanted to do? He has always said in the press that he feels they can handle it best, and now he is tying a bunch of strings to it.

Hon. Mr. Frost: Oh no, we are not.

Mr. Reaume: Oh yes, he is.

Hon. Mr. Frost: We say to them that if they employ people on these works—

Mr. Reaume: I say it is crazy, utterly crazy, taking a person off the rolls of relief, where the town or city is only paying 20 per cent. to elevate that portion of their cost under this scheme so that they will pay 30 per cent. Now, they are not foolish.

Mr. Grossman: The municipalities are getting some work done.

Mr. Reaume: Ah, it is a crazy plan. A crazy plan, it will not work out.

Mr. Grossman: Would Windsor rather have them on relief?

Mr. Reaume: It will not work out, what is the hon. member talking about?

Mr. Grossman: Of course, it will. It is working out. Where there is a will, it is working.

Mr. Reaume: Ah, it is a crazy plan.

Mr. MacDonald: The hon. member for St. Andrew is defending the indefensible.

Mr. Whicher: I would like to get away from that matter for just a moment. I would like to ask the hon. Prime Minister: He definitely said, I listened very attentively, in talking about the seasonal works and so on, and the fact that he has seen these projects starting on the way into the Parliament Buildings this morning, that industry is starting more men because spring is coming along, and that he, the government, was going to employ an additional 235,000 men. Now this is what he said—that there would be that additional number of men.

Hon. Mr. Frost: The hearing of the hon. member is not quite as good as I thought it was.

Mr. Whicher: What I want to know is this: Where has the hon. Prime Minister employed any extra men except in parks and that sort of thing—that is, the provincial parks, which have been working all winter? I mean I have been pleased to see it happen.

My question is: Where has he employed any extra men, has he employed any in the highways, is he taking any more on in the liquor stores, is Hydro employing any more men, where are all these extra men that he is employing?

Hon. Mr. Frost: I would point out to the hon. member that what I said and will briefly re-state is this: First of all I said that the province's great job was to provide an environment in which works could be done and development could be extended—

Mr. Whicher: The environment is here.

Hon. Mr. Frost: —and I pointed out that I rode down two or three miles of Eglinton Avenue today and I recommend the hon. gentlemen of this House to take a look at it.

I was very greatly impressed with the amount of development along that single stretch of this area, and I am sure there are very many other areas in which that is being done. Now I would say that is what we call—

Mr. Whicher: Private enterprise.

Hon. Mr. Frost: Yes, creating the environment in which people go out and do work, and industries go ahead and we have employment which is brought about by free enterprise, if he wants to put it that way.

Mr. Thomas: In other words, his is—

Hon. Mr. Frost: Now the second one is this—I would say to the hon. member surely he would think this, that the very great extensions we have made to the hydro-electric power system in this province has provided, I suppose, tens of thousands, perhaps twenties of thousands of jobs the past year—

Mr. MacDonald: No more than last year.

Hon. Mr. Frost: I point out to the hon. member that we have. It is true that there are many things I do not agree with, and I have so expressed myself, but I may point out to the hon. member that at the present time there is being spent in Ontario, in the municipalities of Ontario, from the borders of Manitoba down to the borders of Quebec, \$1,000 million in the extension of gas lines and with all of the things that are going to come out of that.

Now, in the meantime, here we are, we are working on nuclear power and other things—now I say to the hon. members that those are the things this government is doing to create the environment that attracts half of the people who come to this province, that attracts the great capital outlay of this province. I am glad to see the hon. member for York South applaud, I like to have him do that.

Mr. MacDonald: His own people were failing him.

Hon. Mr. Frost: Now the second is this—this is in answer to the question raised by the hon. member for Bruce. This year our own capital outlays and those we stimulate directly, will provide 235,000 jobs in this province. Now that is a great programme.

Mr. Whicher: Where are they?

Hon. Mr. Frost: The hon. member can go out and look at the bridges being built and the roads being built—

Mr. Whicher: They were being built last year, too.

Hon. Mr. Frost: Yes, but we are building these—

Mr. Whicher: No more than was done last year.

Hon. Mr. Frost: The third point, I say, is this, let the hon. member look at this: I say to the hon. gentlemen opposite, there are about 8,500 jobs being provided in seasonal jobs, and I would not be a bit surprised if by May 15 that ran up to 15,000.

Mr. Whicher: I would not be surprised—

Hon. Mr. Frost: Now, I say to the hon. members that is a great record.

Mr. Oliver: The hon. Prime Minister in his budget speech—

Hon. Mr. Frost: Wait until we get those development roads up in the hon. leader of the Opposition's riding and he will see more people at work.

Mr. Oliver: Yes, well, I will talk about those some day. I was going to say in reference to this matter: When the hon. Prime Minister gave his budget speech, he very clearly suggested that two hundred and some thousand jobs were being created, it would reach that quite easily from what the hon. Prime Minister said.

I was reminded, of course, when he made that statement, I was reminded of another man, Rt. hon. Mr. Diefenbaker down in Ottawa, who announced a public works programme that compared very closely with that announced by the hon. Prime Minister. When they got into "John's" programme, they found that almost all of it consisted of things that were ordinarily being done year by year.

Now the 235,000 men, that he says he is giving employment to, are perhaps the same 235,000 that he gave employment to last year. Certainly there were not 230,000 new jobs, yet he sought to leave that impression.

Mr. MacDonald: Mr. Chairman, we should not finish this debate without congratulating the hon. Prime Minister. He started out by saying they had provided 2,300 jobs. Fifteen minutes later the hon. Prime Minister said it would rise to 8,500. Only a moment ago he got the figure up to 15,000. Now if we just talk here for a little longer, he is going to employ about 100,000 people.

Mr. Whicher: Well, say, let us keep talking.

Hon. Mr. Frost: Do not get—

Mr. MacDonald: It is just like this bogus up in Ottawa. When Mr. Maloney came down on January 29, he outlined the federal programme and claimed it had provided 100,000 jobs. The next day his boss, hon.

Michael Starr, came down and claimed it was 270,000 jobs—overnight 170,000 more jobs.

Hon. Mr. Frost: All right, we can see how quickly these things multiply.

Mr. MacDonald: They do all right—froth, froth, froth.

Hon. Mr. Frost: Just wait a moment. Here the liquor control board has a new programme just coming into effect, which has not been mentioned and which we are going to build across the province, in various communities, new liquor stores to the extent of \$4 million. Now there is a lot more employment right there.

Mr. Whicher: Mr. Chairman, I noticed a note coming down from the commissioner, and I think that he has every right to do so, but is not that rather a funny way of governing here in Ontario when the only way that we can find out that there are new liquor stores being built in Ontario is when we have to have a debate on unemployment? Is not that a great way to have to report back to the people of the province that, just by accident, we found out about it, otherwise we would not know at all?

Mr. J. Root (Wellington-Dufferin): Hon. members in the various ridings—

Mr. Whicher: They likely announced a month before the plans were drawn up—

An hon. member: They do not give us credit for it.

Hon. G. H. Dunbar (Provincial Secretary): 175 votes for Diefenbaker.

An hon. member: Even that is going to be—

Interjection: Mr. Chairman, I would like to ask the hon.—

An hon. member: Does that include Charlotte Whitton?

Mr. MacDonald: It would be funny if it were not serious.

Mr. Whicher: I would like to ask the hon. Minister a question concerning two of the statutory grants, under The Police Act and The Fire Departments Act.

Now I realize they are comparatively small amounts, but I understood that most of these grants were done away with when they introduced a system of unconditional grants. I would like to know where these grants are being paid at the moment.

Hon. Mr. Warrender: As the hon. member will recall, under the system of conditional grants, the province was making grants to the various municipalities for police and fire departments. Now when those were cut off and were made unconditional, there was still this backlog in respect of pensions and workmen's compensation, so those are carrying on.

Mr. Thomas: Mr. Chairman, on vote 1,201, item No. 8, the payment to mining municipalities, last year was \$2 million, this year it is up to \$3.5 million. I wonder if the hon. Minister would care to—

An. hon. member: Generosity—

Mr. Thomas: No, no, let us have this one now.

Hon. Mr. Warrender: Well, the big reason is, of course, that there are more of these municipalities being designated as mining municipalities, and therefore we have to pay out a larger sum.

Mr. Thomas: How did they become designated?

Hon. Mr. Warrender: Well, they became part of the formula as it were, there were 50 or more miners living in a given municipality but working in another area, then that area is designated as a mining municipality. Now the number of those so designated I cannot give the hon. member.

Mr. Whicher: Mr. Chairman, I have a question. While it is not listed in the expenditures here, it is a matter of policy, that is dealing with this department.

Hon. Mr. Warrender: What number is this?

Mr. Whicher: It is not a number but it is a policy dealing with the hon. Minister's department.

Mr. Oliver: Like the hon. Prime Minister's.

Mr. Whicher: For a long time now, we have had discussions in the paper and we have been besieged by letters, all the hon. members from various municipalities who wish to introduce fluoridation of water in their respective municipalities. Now my question is just simply this, what is the department's policy as far as the fluoridation of water is concerned in the province of Ontario?

Hon. Mr. Warrender: Well, my department has no policy on fluoridation, that is a near relative.

Mr. Chairman: That is The Department of Health.

Hon. Mr. Warrender: Mr. Chairman, just before you go on—

Mr. G. C. Wardrope (Port Arthur): I have listened with a great deal of interest to all the talk about it, but, of course, we are never mentioned because we are so far away from Bruce and York South and these great areas in the east where they employ so many men and have to have these projects made to order. But I would just like to mention a couple of things. I told hon. members the other day where, under this 70 per cent. scheme, Fort William had put 99 men to work, costing—

Mr. MacDonald: How many from Port Arthur?

Mr. Wardrope: 99 men to work costing \$43,500. I was coming to that my hon. friend. On Tuesday of this week, Mr. Chairman, I got word that the municipal board had passed the new sewage disposal project for Port Arthur, which will be starting next Monday, and it will be employing between 400 to 500 men at a cost of \$2.5 million. Now that will show Mr. Chairman, that this government is doing a tremendous lot, and if these hon. members from Windsor—

Mr. Whicher: That has nothing to do with it.

Mr. Wardrope: —and if these hon. members from Windsor, Bruce and York South would get their shoes on, and get up to the ridings once in a while, and do some work, and try to help the councils work these things out instead of sitting here complaining, they would have this province on its feet and there would be no unemployment.

All they are thinking of doing is crying gloom for political reasons attending to March 31. They are not kidding me, and they will find out that they are not kidding the people, so they had just better take the attitude that things are not the best. Get busy and they will see that they will get men to work.

Now a fact that may be mentioned, Mr. Chairman, because there seems to be so much gloom and so much grease poured on the gun—

Mr. Reaume: Mr. Chairman, I wish my hon. friend would answer this. If they are building a building up there or plant of any sort, what has that got to do with the government here in the province? That will be built and paid for, I imagine, by the people of the area.

Mr. Wardrope: It is employment.

Mr. Reaume: What is he talking about?

Hon. W. Griesinger (Minister of Public Works): The hon. member said there is no employment.

Mr. Reaume: Oh, yes, but he is talking about a boom. We have a right, I think, and every opportunity when, in an area of our kind of 140,000 people approximately, we have some 21,000 out of work.

Hon. Mr. Griesinger: Is the hon. member sure?

Mr. Reaume: Am I sure of what?

Hon. Mr. Griesinger: Is that figure right?

Mr. Reaume: Certainly that figure is right—

Hon. Mr. Griesinger: Oh, I would say that it is not.

Mr. Reaume: —and, so that upon every opportunity—

Mr. Wardrope: The hon. member should check that figure.

Mr. Reaume: I did, I did.

Mr. Chairman: Order, gentlemen.

Hon. Mr. Griesinger: The figure that the hon. member for Essex North has stated is absolutely wrong, and I say to the hon. gentleman who sits in seat No. 79, that a lot of the troubles of the city of Windsor were caused by himself.

Mr. Reaume: Well, I will answer that.

Hon. Mr. Griesinger: All right, let him answer. When the first Ford strike was on, we had to send people in there to maintain order, because he would not do it and he knows it, and the hon. Attorney-General was sent down there—

Mr. Reaume: Well, when the hon. Minister gets finished, I will answer him.

Hon. Mr. Griesinger: He also made statements that certain industrialists should be run out of the city of Windsor on a rail. Now, how does he expect to get co-operation from those people when he tells them that? No wonder Windsor has lost industry. He can put a lot of the blame right on himself.

Mr. Reaume: Mr. Chairman, I am very happy that the hon. Minister has found time to stand up. He is about the only person I ever knew who had to buy 5 pairs of pants

with every coat, because he spends so much time sitting down that he wears them out. Just a moment, I am not getting personal. But I want to say to him—

Hon. Mr. Griesinger: I defeated him just the same, and I dare him to run against me again.

Mr. Reaume: Let the hon. Minister sit down for a moment. I wanted to tell the hon. Minister this, that in the instance of the Ford strike—and that goes back quite a while—it was a member of this government here who sent in the police force for the purpose of trying to hit those worker on the head with sticks, and I was mayor at the time—

Hon. Mr. Griesinger: That is a falsehood.

Mr. Reaume: —I was mayor at that time and I told them that the sooner they got out of town the better, and they got out of town, too. Now I want to say to the hon. Minister, there is not much that he has ever done for Windsor outside of sitting in that chair, and I mean sit, and there is no question about it.

Hon. Mr. Warrender: Mr. Chairman, may I rise on a point of order?

Mr. Reaume: Just a moment, I am trying to bring the attention of the hon. Minister of Public Works—

Hon. Mr. Warrender: Oh, let us get on with the estimates—

Mr. Reaume: —to the fact that there are 21,000 people out of work in Windsor whether he knows it or not.

Hon. Mr. Griesinger: Well, the mayor did not say so this morning.

Mr. Reaume: Well, it said so in the paper. Why does the hon. Minister not read the paper?

An hon. member: Well, it seems to me that it was not so many years ago that there was a "for sale" sign on the hon. member's seat, because he did not see fit to attend the meetings of this House.

Mr. Reaume: Well, I am telling my hon. friend, I know that in 1955 the hon. member and his group over there tried to buy this seat. But with all the dollars they dumped around Essex North, they still did not, or could not, buy it, and there was plenty of it there. It was a very interesting election in 1955.

Hon. Mr. Griesinger: I thought he said there were pot-holes.

Mr. Reaume: There were 4 hon. cabinet Ministers in my riding, including the hon. Prime Minister of the province, in that campaign of 1955. The hon. member is talking about a "for sale" sign on my seat. The hon. Prime Minister entered Essex North and he was one of the organizers of the plot of the big meeting in which the hon. Prime Minister was going to explode and expand everything. Actually, they organized it so well that there were 47 people at the meeting including the hon. Minister and there were 20 people there who were making application for a hotel licence.

Mr. Chairman: Order, order.

Mr. Reaume: Just a minute, just a minute now. There were more flies there than there were people.

Hon. Mr. Griesinger: I trust that he will come back to his own residence and run again. I would just like to have him. He has to run—

Mr. Reaume: Do not worry, I will come back. Do not worry because the hon. Minister had better start standing up often now, because I am going to be at him every day.

Mr. MacDonald: Mr. Chairman, may I speak on the estimates?

Mr. Chairman: Yes, yes.

Mr. MacDonald: Good, good. I would like to quote 3 paragraphs to the hon. Minister from an editorial in the *Sudbury Star* and ask for his comments—I can assure him that this is very pertinent—on May 15, 1957: It is entitled:

QUEEN'S PARK GAGGING

The Progressive-Conservative government of Queen's Park may not be aware of this, but the gag rule of censorship is being applied to some of its employees. It is hardly cricket, old boy, to point the finger at the pipe line gag at the Ottawa Liberals while permitting it to be applied on instructions of civil servants.

Taxpayers in Neeland-Garson township have every right to be kept fully informed on all figures relating to financial matters in the township. Yet, at the budget meeting this week, the council door was slammed in their faces and they were on the outside while the reeve and councillors went into a secret session.

The action was reportedly taken following the advice of an employee of The Department of Municipal Affairs. Council-

lors told a reporter from the *Sudbury Star* that none of the figures under discussion would be released on his advice.

In the ensuing discussion on whether the public, through the press, should be informed, the council decided on the secret session.

By what right does a civil servant draw the curtain of secrecy?

Would the hon. Minister care to comment on this?

Hon. Mr. Warrender: I would not care to comment, as I do not know anything about it. It sounds like the figment of somebody's imagination to me.

Mr. MacDonald: The figment of an editorial writer's imagination in *Sudbury*?

Hon. Mr. Warrender: Mr. Chairman, I will try to answer the first part by saying this. I do not know who he is referring to by civil servant, I do not know what words were used or whether he actually said: "Let us go into a secret conclave." Even if he did I do not see what difference it makes anyway.

He asks what right does Queen's Park have to gag these people? I do not call on each one of my staff and say to them individually: "Now don't you go out and gag that person or go into secret sessions with council."

I mean, I cannot answer the hon. member's question, there is no meat to it. Let him give me something to chew on and I will try to digest it.

Mr. MacDonald: Just a minute. I will give him something to chew on, unless he is going to throw this out as having no substance at all. I do not think that the editorial writers of the *Sudbury Star* have no substance when they are writing. What they are saying is—

Hon. Mr. Warrender: I do not suggest that. I say give me the facts and I will look into it and try to give them the answer.

Mr. MacDonald: Look now, the thing is almost a year old, May 15 of last year. What they are saying is that the council, allegedly on the instructions or on the orders of some civil servant in the department here, had agreed to have a secret session, so that the public through the press could not get the facts on the budget.

Hon. Mr. Frost: May I point out that the legislation assured him that—

Mr. MacDonald: Pretty weak stuff.

Mr. Whicher: The hon. Minister in his remarks at the opening this afternoon mentioned something about the Crown corporations of the municipalities being able to borrow money, if they have to borrow.

Hon. Mr. Warrender: Not Crown corporations. I said that certain municipalities under certain conditions could borrow from the Crown corporation, meaning the Ontario improvement and municipal corporation.

Mr. Whicher: He mentioned how many inquiries he had.

Hon. Mr. Frost: Running about \$50 million per year.

Mr. Whicher: He is loaning out about \$50 million a year?

Hon. Mr. Frost: Yes.

Mr. Whicher: And what is the total of that loaned out now?

Hon. Mr. Warrender: Well, I am sorry that we do not have those figures, as the Ontario municipal improvement corporation actually comes under The Treasury Department but we have to process in order to advise the committee as to certain background material, in order for them to make up their minds on that.

Hon. Mr. Frost: Well, I would say to my hon. friend that one of the objections I heard down at the Ottawa conference, this last November, was on that point. Now I use the actual figures there when I say 50 million a year. It is of that order.

The point is that we are becoming, or we were becoming—because of the statement here and sound-money policies down the line—the bankers for a very great number of municipalities, and the amount of loans they were making were such that it could be, if it continued, an embarrassment to our credit.

Now, I would like to interject here another matter having reference to the employment matter and that is in connection with the metropolitan type of government. We had some interesting discussions in the last few days with the people of London, and with the people of some other municipalities, relative to that matter. I would refer my hon. friend to the article by another professor, Professor Rowat, of Carlton College, in the issues of *Canadian Public Administration* relative to planning metropolitan government. Now Professor Rowat's article is a very excellent one. It gives a survey of the various

types of metropolitan government in the world today, and he comes to the conclusion—and I say this that it is a matter of great interest—that the true, sheer type of administration that we have here in Metropolitan Toronto is the most effective and the best type of metropolitan government.

Now, as I say, I will not go into his article other than to point out this: that great innovation was brought about in this province, it was born in this Legislature, it was passed by this Legislature back in 1953, and I think that in the 5 years of operation it has been a very great innovation, a very great experiment in government.

The government, I think it is, of New South Wales, has asked us if we could send Mr. Cummings or someone else down there, to tell them about the effects and the operation of that type of government in this province.

I am bringing this to the attention of the hon. members from a non-political standpoint, not from any controversial standpoint at all. I say that it is a very interesting subject, and it is one which has been very favourably commented on by Professor Rowat, and I commend his article for reading by the hon. members of the House.

Vote 1,201 agreed to.

On vote 1,202:

Mr. Thomas: On vote 1,202, last year there was a discussion about the Ontario municipal board, I got up, Mr. Chairman, and someone said "sit down." I object to that very much.

Hon. Mr. Frost: Oh, that could not have been directed to the hon. member.

Mr. Thomas: Oh, well, I am not going to sit down.

Mr. MacDonald: Another Tory in the balcony, that is all.

Mr. Thomas: A discussion took place last year about the activities of the Ontario municipal board, and the hon. Minister complained, or stated, that one of the reasons for the delay in issuing debentures sometimes, or approving them, was because they were so very busy, and he expressed the thought at that time, I think, that perhaps it would be considered that a municipal council could issue debentures for \$3,000 or \$4,000, up to that amount, without applying to the board. I wonder if there has been any consideration given to that?

Hon. Mr. Warrender: I made no commitment, but I did say there would be some study given to it. However, we have ruled it out as not being a good policy.

Mr. Oliver: Mr. Chairman, on the question of the Ontario municipal board and the powers that it has in relation particularly to problems of annexation, The Municipal Board Act gives the Ontario municipal board very wide powers, and I would say that up until now they have been perhaps necessarily wide powers.

I have often thought, and I am firmly convinced of this, that after a number of years—and there have been a substantial number of years—of the Ontario municipal board dealing with problems of annexation and the like, that the day has come in Ontario when some of that power presently exercised by the Ontario municipal board should be written into the statutes of the province.

I think we give the board too great a power and too wide a power, and I am convinced that the statutes themselves should contain much of that which will guarantee the rights, if you will, of the portion of the people who are to be annexed and of those who are doing the annexing.

There must be by this time, out of the broad experience that we have had with this problem, certain principles that can be written into the law itself, into the statutes of this province rather than continuing to allow the Ontario municipal board to exercise those powers continually.

I quite well believe that the Ontario municipal board will still have to have powers in connection with annexation, but I am persuaded that many of the powers that they presently exercise should be written into the statutes themselves so that all people can see what are their fundamental rights in respect to annexation.

Hon. Mr. Warrender: There is something to be said on what the hon. leader of the Opposition says. May I point this out, however, that in certain areas the principle of annexation or amalgamation is still going to have to be supported for some years to come.

But I admit also that there are areas where perhaps annexation or amalgamation is not the solution to the municipal problem which exists. As a matter of fact, we have been giving very serious study to empowering the Ontario municipal board to do something, shall we say, between a metropolitan form of government and just straight annexation. It

is a very live question today, and it may be that out of that study will come some clarification of the powers of the Ontario municipal board. I agree with the hon. leader of the Opposition.

Vote 1,202 agreed to.

On vote 1,203:

Mr. Wardrobe: Mr. Chairman, I would just like to congratulate the hon. Minister and some of his staff. We have a set-up in our town now, The Department of Municipal Affairs, with a gentleman in charge of it who is an expert appraiser. We had a terrific problem there with the municipality of Shuniah and some of the other areas, who could not afford to pay a good appraiser, and as a result their appraisals were causing a great deal of dissatisfaction among the people.

Now that department has taken hold and assisted the municipalities in their appraising, and today we have a fairly satisfied public up there in all those surrounding municipalities.

I think it has been a great thing, and I want to congratulate the hon. Minister, his Deputy Minister, and his officials, and I want to pass that on officially through him to Mr. Oliver, who is his representative at the Head of the Lakes. I commend the hon. Minister and Mr. Oliver for their good work.

Mr. Whicher: Any relation to the hon. leader of the Opposition?

Mr. Wardrobe: Well, he is just as nice, we know, personally, out of the House, as this man is. I have a great deal of regard for him too, that is, the hon. leader of the Opposition, the same name.

Mr. Nixon: The hon. member is not a bad old fellow himself.

Mr. Thomas: Mr. Chairman, on vote 1,203: there is an item there on vote 1,203, No. 2, to make advances to and purchase debentures of the improvement districts of Elliot Lake, Manitouwadge, etc. Well, some discussion took place this afternoon about the improvement corporation. Why would it be necessary to set aside \$2.86 million, when they can get their debentures approved by the Ontario municipal board?

Hon. Mr. Warrender: Mr. Chairman, they cannot. The only purposes for which they can borrow, generally speaking, from the Ontario municipal improvement corporation are for schools, sewers and water and drainage. Now those are the main things, but these people

have other than those problems. It is a new community altogether, rising right out of virgin territory.

Now since they have not yet reached the stage in development where they have established their credit in the open markets, they cannot sell their debentures, hon. members will understand, nor because of the rules which apply to the Ontario municipal improvement corporation they are unable to sell their debentures to that Crown organization.

So as a result we have made advances in the case of Manitouwadge, I think some \$450,000, and every cent of that was returned.

The same is true, I think, at Red Lake, where we advanced \$50,000. Now that has been returned. It was for certain organizational purposes.

Here, in order to help Elliot Lake get on its feet, where there are about 20,000 persons, we have to advance certain monies to get them organized, not only for school, water and sewers, but shall we say for many other purposes up there, to get the organization going. When they have established their credit, they will be able to sell their debentures in the money markets of the world, but right now they cannot. So we help Elliot Lake, Manitouwadge, Bicroft, and others which no doubt will come into existence from time to time.

Mr. Thomas: An outright grant?

Hon. Mr. Warrender: We expect to get the bulk of it back, as we did in the other cases.

Mr. Oliver: The vote of \$2.86 million in capital payment, that is in addition to the \$1.7 million that we have already voted in supplementary amounts, is that right?

Hon. Mr. Warrender: I believe it is, yes.

Mr. Oliver: So the total vote is \$4.6 million or \$4.5 million?

Hon. Mr. Warrender: I am advised that is correct.

Mr. Reaume: On vote 1,203, I want to say that I think the work the department is doing in Elliott Lake is great work, great work, but I was up there a week ago and apparently when anyone wants to buy property up there, he has a hard time doing it.

Now, I am not finding fault with the treatment that I got in the purchase of a piece of property that I was trying to buy, but I under-

stand it is happening to other people as well. But in order that the House might know, on June 1, 1957, I purchased a piece of property or thought I did. How it happened was, I walked into the offices up there, or the offices of the town, asked about a certain property, asked if they had an appraised price on it, and they said yes. I asked the official if he wanted to sell it and he said yes. I asked him if he had any offers in at that time, and he said no. I asked him if "first come, first served?" and he said yes. So he pulled out his offer to purchase, I signed it, gave him a cheque, and he cashed the cheque.

Then, some 7 weeks after that, along came this cheque back again in the mail from Elliot Lake, with no explanation at all as to why I did not get the property.

Now I am not finding fault with that, I am not finding fault with my own offer.

But I am finding fault with the facts concerning the officials of the improvement district up there, the board of trustees, or whatever they call them. Of course, one must carry a card of the Tory party of the province or he cannot get on that board, that is for sure.

Mr. J. A. Maloney (Renfrew South): Is that so?

Hon. Mr. Warrender: No, I do not think they did.

Mr. Reaume: No, I did not think they did, the hon. Minister can ask them if he wishes, if that is of any interest to him. But I am just wondering what one has to do in Elliot Lake in order to buy property?

Mr. Maloney: Is that why hon. Lester Pearson is going to lose?

Mr. Reaume: Hon. Mr. Pearson is not going to lose. What is the hon. member talking about?

Hon. Mr. Warrender: I will answer the question of the hon. member. In his own particular case, I had a personal discussion with him, and I think he appreciates now what happened.

Mr. Reaume: I have not heard yet.

Hon. Mr. Warrender: I understand there were persons in touch with the hon. member who told him that the area which he hoped to purchase had been used by this company for parking or other purposes in connection with that development, and therefore, they did not want to use it for the purpose he

had in mind, and therefore the offer was rejected and his money was returned.

The hon. member has asked me about the mechanics of buying a piece of property up in Elliot Lake. It is my understanding that an offer is made to the board of trustees. If the property he has in mind is zoned property and so on, the offer is accepted and he is notified. Then the by-law accepting the offer has to come back to our department for approval. That is the regular routine.

But when the by-law with respect to his particular piece of property came down to our department, it was discovered, after checking by one of our men, Mr. Carter, who has had the set-up of this special projects branch, that it was not the best use in the interest of that community for that piece of property, and so, on his recommendation, the said by-law was not approved, and the property is now being used for its best purpose. I think the hon. member understands that.

Mr. Reaume: I just want to point out that the hon. Minister is wrong. That property was properly zoned at the time for dwellings, not parking lots, not fish stores—dwellings—and I agreed at the time I purchased that, if approved by the hon. Minister or whoever has to approve it, I would put dwellings on it.

Now I understand, concerning the purpose for which it was originally intended, it is not being used for that purpose at all. Now what do they do, have a plan, have a zone one day, and the final day when the other fellow happens in there, they change it and alter it? I abided by every rule of the game.

Hon. Mr. Warrender: May I answer the hon. member in part by saying this: on September 18, 1957, a letter was sent to him from the department expressing regret that he was misinformed, that it was intended that Block D could be built upon and that it was for sale to the first bidder. He received that letter on September 18, 1957.

Mr. Reaume: My hon. friends, it was on June 1, 1957, that I issued my cheque and so I hear about it in the fall, eh? That is a fine way of doing things.

But the point I am trying to make is this, I do not care about that piece of property at all, but I am worrying about this. Is the policy in Elliot Lake "first come, first served," provided, of course, that one abides by all of the terms? Well, I understand it is not.

Hon. Mr. Warrender: If the hon. member can show me that is incorrect, I would be

glad to meet with him and discuss it. We are trying to run this strictly according to the zoning and the ordinary rules of procedure of making an offer and having the offer accepted, with the added stipulation it must be approved by The Department of Municipal Affairs.

Mr. Reaume: I just want to say this in way of advice, and I am not being critical, that the hon. Minister should go up there. It is common gossip around the whole of the town that if one does not belong to the Tory party, he just cannot buy property in there at all.

Hon. Mr. Warrender: Well, I want to say Mr. Chairman, that is absolutely not true and so far as the membership of the board of trustees is concerned, as he knows, they have company representatives on there. I do not know what their political connection is and I do not care. What I am concerned about is that they do a good job for the interest of those people in that area.

Mr. Oliver: Well, one interesting point in connection with this, according to the hon. Minister's own version, is that it would seem to me that it is better to have buildings according to plan, whether it is apartment houses or what it is on this piece of ground, and he says that it is being used for a parking lot. Now surely it would be better to have apartment houses rather than a parking space. There must be other places to park cars, except on that particular lot.

Hon. Mr. Warrender: It was originally, I am told, designed for open space, whether it be for a parking space or a park for the kiddies to run in. Now when it was looked at in the eye of the hon. member for Essex North who made the offer, he thought that they wanted to sell, he made a legitimate offer and they accepted.

But when we looked into it, as is our duty, we found that this was not the best use for the property. The board of trustees agreed. Now the hon. member came to see me, I was trying to help him complete this deal—

Mr. Reaume: He certainly helped me, all right.

Hon. Mr. Warrender: Well, does the hon. member not admit that I tried to help him complete this deal? Certainly I did, and when I found out from Mr. Carter that this, according to the trustees, was not the best use for the property, I had to tell him that

the by-law was not going to be approved, and the deal fell through.

Mr. Reaume: Well, the truth of it is this—

Hon. Mr. Warrender: The hon. member is not suggesting that I am not telling the truth? Please!

Mr. Reaume: No, I want to explain it to the hon. Minister. Actually, the offer that I made was made on June 1, the second offer was made 10 days after that. Officials at your department notified certain interested people that I was after the property.

Now, the property was for sale when I walked in the office at Elliot Lake, the man gave me the offer to purchase, I signed the offer to purchase and paid him. Now, certainly he knew at that time that the property was up for sale, but after they found out who was going to buy it they did not approve of it.

Hon. Mr. Frost: No, no. That is not right.

Mr. Reaume: No, that would not be right, I know.

Mr. Nixon: Just before we leave this vote, Mr. Chairman, are we to understand the hon. Prime Minister to say that this Ontario municipal improvement corporation was loaning the money or buying the bonds at the rate of \$50 million a year?

Hon. Mr. Frost: Yes, I think that it was running up about that high.

Mr. Nixon: Well, according to their own budget statement, page 33—

Hon. Mr. Frost: Another \$100 million inasmuch as I got authority for this recently.

Mr. Nixon: Well, it only totals up to \$37.732 million here.

Hon. Mr. Frost: Well, it was running around—last fall—\$4 million to \$5 million, some place in there. We were—

Mr. Nixon: This was up to December 31 last.

Hon. Mr. Warrender: The reason was because, at the end of the fiscal year, that \$50 million would have been loaned out or used to buy the debentures, and it would be well to have more money in, and an additional amount of \$100 million was put in there.

Hon. Mr. Frost: I will be very glad to give my hon. friend a list of all the loans made. Now they are very sparingly made, I can assure him.

Mr. Oliver: They are certainly not spending \$50 million a year.

Hon. Mr. Frost: I would say this, that they would, at the tempo of last fall they would run to \$50 million a year.

Mr. Oliver: What does his statement mean then, in his budget speech?

Hon. Mr. Frost: Well, it means that the tempo of loans would run \$50 million a year and perhaps exceed that at the rate of growth.

Vote 1,203 agreed to.

Hon. Mr. Frost: I move that the committee rise and report certain resolutions.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

The Chairman: The committee of supply begs to report certain resolutions and begs leave to sit again.

Report agreed to.

Hon. Mr. Frost: Tomorrow we will have the estimates of The Department of the Provincial Secretary.

Mr. Speaker: Orders of the day.

THE LIQUOR CONTROL ACT

Hon. G. H. Dunbar moves second reading of Bill No. 161, "An Act to amend The Liquor Control Act."

Mr. A. J. Reaume (Essex North): Mr. Speaker, I understand that that is the Act that has to do with amending the Act in order that one might have liquor and beer on the back porch or front porch, in the tent, even on the lawn.

Well, I was reading the bill and I was wondering—if one can have liquor in a yacht, room in a hotel, out in the back porch or front porch—why one could not have it in a bunk house in the camps of the mines, for instance, or in the bushes where the men are there cutting wood?

I would think that is their home, after all they are staying there, and why would it not be as reasonable that those men working up in the bush might have a bottle if they wish in the bunk houses as much as hon. members or I could have one, for instance, at the hotel? I am just wondering if we could amend the Act in order that it would allow that?

Hon. G. H. Dunbar (Provincial Secretary): No, we cannot amend it to make any change in that way because of the definition of bunkhouses, according to The Labour Act. If there are self-contained rooms in the bunkhouses for one or two men, where there is a door or lock on the room, they can have the liquor in there just the same as one has it in a hotel room. But no person would suggest that the old caboose is the right name for it, that with a bunkhouse with 50 or 60 men sleeping in it, they should be able to bring in 50 or 60 bottles of liquor a night and every person be on the job the next day.

Now there is reason to all things, but there is no reason for that, and the people of Ontario would not stand for it if this government did make that amendment.

Mr. Reaume: I do not know, they can haul it into the Royal York hotel by the case or truck if they want to and they can have 5 people in a room or 10, if they wish.

Now, there are not 50 people in a bunkhouse, at least not the ones I have visited, generally there are 5 to 6 people in it, and certainly—I cannot for the life of me see why not, if these people wanted to have a drink, why we should stop them from having it in the bunkhouses.

Mind this, if a miner wants to get drunk he does not have to get drunk there, or if anyone does, he does not have to go to a bunkhouse, and so I do not think the fact that a miner has a bottle under his bed is going to bring about any more drinking in the mines than is going on right now.

The only thing I think that we ought to do, is to make it fair and proper, so they might have a bottle in there if they wish.

Now I am not advertising in order that they might sell more stuff, I only think it equitable and fair that the government treat the miner and the bush men just the same as they treat the fellow at the Royal York hotel.

Hon. Mr. Dunbar: The bush man and the man going out for the Hydro, clearing the rights of way, can have a canteen, and the men can be served in the canteen but I do not think that any person would suggest that the marquee which they sleep in, which would be as I think—I have had some experience with them—with 40 or 50 men sleeping in a tent, that each man should not be allowed to have his liquor in the marquee.

But they can have a canteen in connection with that, and that is what they had in the past, and there are no complaints and there has been no requests from these people to

have anything different. Things have been going along nice and smoothly.

Mr. Reaume: Well, I want to say that up in Elliot Lake, in trailers, there are hundreds of them, there are 10 or 15 people in a trailer and they can have it in the trailer, but across the street in the bunkhouse, no. Now, I think that it is a foolish Act, it is real foolish, and I think that it is time the government sat down and altered it. It just does not make sense.

Motion agreed to; second reading of the bill.

THE WATER RESOURCES COMMISSION ACT, 1957

Hon. L. M. Frost (Prime Minister): Perhaps we had better hold that and take the next order.

CHARGING OF TOLLS ON CERTAIN BRIDGES

Hon. J. N. Allan moves second reading of Bill No. 175, "An Act to provide for the charging of tolls on certain bridges."

Mr. R. Gisborn (Wentworth East): Mr. Speaker, may I ask the hon. Minister if he has definitely in mind the Burlington skyway at the present time.

Hon. Mr. Frost: That is mentioned in the budget, is it not?

Hon. J. N. Allan (Minister of Highways): Well, Mr. Speaker, it is mentioned among a number of bills for bridges that might be tolled. But there are no definite plans for tolling any bridge in particular, although there is no doubt that international bridges would be tolled as they have been.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, I am assuming that I am right when I say that outside of international bridges, this is the first time that provincial legislation has provided for the paying of a toll on bridges, like the Burlington skyway and others that we may have in mind at that minute.

This, then, is a new departure, and it is one to which great consideration should be given. We are embarking on an entirely new venture, we are charging for the first time in the province's history, the motorist who travels over a bridge, built by the province of Ontario and inside the borders of the province of Ontario,

and somehow or other I would hope—I was hoping—that we could avoid this particular type of charge on our motorists.

Now, I would like to hear the hon. Prime Minister on this. It is not likely, I would say, that there will be many bridges of this type in the province, so would it not be possible to finance these one or two bridges, or whatever there may be, and allow the motorists to pass over those bridges without a toll charge? It seems to me that this is a departure that we do not welcome, and we are not convinced that is absolutely necessary.

Now what is the view of the hon. Prime Minister or somebody in respect to charging for going over bridges?

Hon. Mr. Frost: Well, I would say to my hon. friend that this matter, as he knows, has received very great consideration on the part of the roads committee which sat for a couple of years on that subject, and I think that this bridge was included in the recommendations of the committee of toll bridges.

I would say to my hon. friend that it would appear the hon. Minister of Highways can give a more detailed explanation of it than I would hope to. It looks like this, that on the Welland canal there would be at least two and perhaps three bridges or tunnels either over or under the canal. Now remember, that would, of course, include the Welland area and the St. Catharines area as part of them.

We are about, I think, on the Niagara frontier, on the border of very great changes in the highway system from this standpoint. Plans are now being made to connect the New York thruway which is I suppose the greatest highway on the continent as a matter of fact. Down that highway will come the traffic from the American west, the Chicago area, Michigan down to connect with the New York thruway, that is being connected into our province, I mean according to present plans, some place around Queenston I think, in that area.

With the connection of that thruway with our system here, it is going to make the entrances into Canada, into Ontario, at that point obviously very much easier.

The Burlington skyway will involve an expenditure of around \$17 million. I would say this, that either the overpasses or underpasses of the Welland canal would be of the same order, something of the same order, so one can see we can get from \$50 million to \$70 million invested there very, very easily.

We made this deal at Burlington with the federal government and it is all public, that they should build a new lift bridge to combine the road and railway traffic at Burlington over the canal. That would remove the obstacles to the entrance to Hamilton harbour, it would remove the present railway bridge which has an abutment, I think they call it, right in the centre of the canal, which is really highly dangerous, it would remove those things and provide for one of the lift bridges that would be entirely safe for navigation.

That would give a much better passage over the canal than there is now, or there ever has been, I understand. That would be available to the public, that is a free bridge if they want to use it.

There would be similarly, as the hon. Minister of Labour (Mr. Daley) knows, in the St. Catharines-Welland area, the present bridges and perhaps improved bridges that would be free bridges.

Now the question arises is this, as to whether with the building of the connection to the American or to the New York thruway—which will of course be a toll entrance—whether that should be tied into these bridges or underpasses at the Welland canal and the Burlington bridge.

I would say that it is just about as simple as this. If the tolls there fit into that system, remember that is where we are going to get a very large proportion of the 5 million or 6 million American cars that come into this province. According to the estimates, the tolling of the Burlington skyway would produce a considerable item of revenue.

Of course, the idea was this, and I think the hon. Minister explained this, that additional revenue could be used in the areas that are affected by these tolls for the improvement of their road connections and their road communications.

The city of Hamilton is up against some big problems, as my hon. friend from Hamilton East (Mr. Elliott), I think it is, knows. A system of bypasses should be built around Hamilton, particularly on the west side, and I would say on the north and on the south sides as well.

As a matter of fact, the skyway is not of great benefit to the Hamilton area. But some things would be of very great benefit to them, in the building of the bypass communication about that great city. Now those are some of the things that are in contemplation, and I would say that decisions on them, I think, would make the solutions to some of

these problems that we are up against on the frontier.

I would say to the city of Sault Ste. Marie, we have offered with the state of Michigan to go ahead and build our half of the bridge and finance it with payment of tolls, we are facilitating the building of a new bridge or bridges at Rainy River or Fort Frances.

Mr. Oliver: How about Pembroke?

Hon. Mr. Frost: The bridge across the river there is being built free of charge. That is not included.

I am going up there to have a look at it the day after tomorrow.

Mr. Gisborn: There may be argument, Mr. Speaker, for toll bridges in certain districts. But where we have one, such as the skyway, which is in close proximity to a large city such as Hamilton, it is nothing less than discriminatory to that section of the people. There are a large number of people who work in industry in Hamilton, who go between Toronto and Hamilton, and they will have to pay the extra charge. Yet the group that lives in the peninsula or the west will get back and forward to work without the charge. I think it is discriminatory to a certain group, and at least where it is close to a large city like that, and where it can become discriminatory that it should be paid for out of general tax.

Mr. D. C. MacDonald (York South): Mr. Speaker, I want to comment briefly on the principle of this bill. I was very interested to hear the hon. leader of the Opposition expressing opposition, as he did this afternoon. The only thing wrong with his comments is that they are about two years too late, because hon. members of his party joined with the Conservatives in support of the proposition of tolling bridges when I attempted to fight the battle alone on the toll roads committee. Now the chickens are coming home to roost.

There is another point that puzzles me about this. I wish I could see some consistency in government policy with regard to tolling. For example, the hon. Minister now tells us that there is a prospect of 3 bridges over the Welland canal and that they may be tolled. It seems to me that this is the grossest kind of injustice. The people living along the Welland canal have to face the most fantastic kind of traffic problems—I have had occasion in the last couple of weeks to travel twice throughout that area and I suspect they cannot be

matched for traffic problems and, of course, now they are nothing like they are in the summertime when the canal is in operation.

This is a federal project, and therefore the federal government should be assuming some responsibility. As I recall, the Conservatives on the toll roads committee, when there was a Liberal government at Ottawa, placed a great deal of emphasis on the proposition that this problem should be laid on the doorstep of the federal government. They are collecting the tolls and they should do something about solving the problems created by the inconveniences of having the canal there. That sounded like a good argument then, and I suggest it is still a good argument.

But what is the government doing now? They are going to absolve their friends in Ottawa of any responsibility and they are now going to put up toll bridges—3 toll bridges along the Welland canal.

Hon. Mr. Frost: I point out that they are building the other bridges, the federal people are.

Mr. MacDonald: What other bridges?

Hon. Mr. Frost: A new bridge at Burlington.

Mr. MacDonald: Well, just a minute. I am talking about the Welland area. Do not drag in Burlington. The hon. Prime Minister can draw in more red herrings in 5 minutes than anybody I know.

Hon. Mr. Frost: Well, all right then.

Mr. MacDonald: The problem in Welland area is that we have had a long-standing problem, the basis of which comes from a situation which falls within the jurisdiction of the federal government. I submit that instead of putting 3 toll bridges over the Welland canal, toward which the people of that area will have to pay, the federal government should do something about it.

Here, as I want to point out in other cases, we have this added consideration: people have had to face inconveniences, for years, in fact, in some instances, for generations. Now they are going to be given the facilities that they should have had years ago, but you say to them: "You have been inconvenienced for years, now we take the inconvenience away, but you are going to pay an extra charge."

I submit that this is basically unfair.

Hon. Mr. Frost: Well, of course, on the other hand we are able to give them greater facilities with the money we get—

Mr. MacDonald: I know, I know, but just let me show the hon. Prime Minister how inconsistent he is, if I may pursue this theme.

We discussed for a time on the toll roads committee the proposition of tolling the causeway up in the Rainy River area. One of the arguments advanced—and it had a degree of validity—was the same argument as down here in the Niagara peninsula, that people who used the Burlington skyway will be a large proportion of Americans and why should they not pay part of the cost of using this?

If you build a causeway I am willing to predict right now that a very significant proportion of the people, who will be on the causeway up in the Rainy River area, are going to be American, but for their own mysterious, devious local reason this government has decided that they are not going to toll the causeway.

Hon. Mr. Frost: Oh, no, it is in the bill—

Mr. MacDonald: Oh, is it in the bill now?

Hon. Mr. Allan: Why, certainly it is in the bill.

Mr. MacDonald: My mistake, my mistake; if it is in the bill, they have changed their tune on this again.

Hon. Mr. Frost: No, no, the hon. member—

Mr. MacDonald: Oh, yes, the hon. Prime Minister has. In the toll roads committee, Mr. Speaker—just let me bring you up-to-date—this government excluded the causeway that are going to be tolled.

Hon. Mr. Frost: It is included.

Mr. MacDonald: And now they bring it back in—it is going to be tolled. They change their minds so often that, if I cannot keep up with them, I submit that there is at least some justification for my plight.

Hon. Mr. Dunbar: Let the hon. member not get hoarse, now. He needs his voice for tonight.

Mr. MacDonald: The tolls committee with 8 or 11 Conservatives on it, for their own good reason at that time, decided that the causeway should not be tolled.

Now this government has changed its mind and it is going to be included in the roads that are going to be tolled.

Mr. Thomas: Maybe, maybe.

Mr. MacDonald: Maybe, I know this is all maybe. But once we pass this bill the “maybe” is going to become a reality, and let us not kid ourselves. I can see by the look on the hon. Provincial Secretary’s face that he acknowledges this.

Hon. Mr. Dunbar: Let him not get hoarse now, he needs his voice for tonight.

Mr. MacDonald: My voice is okay, never fret. I want to say, Mr. Speaker, in summarizing my comments on this, that I think in most instances the people have suffered an inconvenience, and that they should not now be given an extra charge for the next 25 years when they are relieved of the inconvenience.

I think it is a valid point that the hon. leader of the Opposition made but I wish his party had been in there fighting when we started to fight this principle—that we avoid imposing these tolls within the province. I am willing to make an exception on international bridges because I think that is a different situation.

Mr. A. J. Child (Wentworth): Mr. Speaker, if I might say something on this subject, particularly as far as the Burlington skyway is concerned. Out of some 45 elected members in the Hamilton area, provincial, federal, municipal and county council, to my knowledge there is only one and possibly two hon. members who are not in favour of tolls.

Hon. members will find that why they support so strongly the other hon. members is because we need a northwest entrance around the city.

The people in Hamilton do not expect the province of Ontario to go to the expense of spending some \$17 million at one end of the city then turn around and spend possibly another \$12 million or \$15 million at the other end for the convenience of the people, when there are so many other areas in the province of Ontario that also need some consideration.

As far as the people going to Aldershot and Burlington and that area, I might say that those people, although some of them might be working people, by and large, that happens to be a very high class residential area and I would suggest that the people who live in that area and travel back and forth daily could well afford to pay any of the tolls that we might impose on them.

I also understand, and this was by the recommendation of the committee that if tolls were imposed, consideration would be given to an annual pass at a very nominal

fee, so that if one wanted to take it at even \$5 or \$10 one would find out that by daily trips it would cost less than one cigarette a day for anybody going back and forth over it.

Certainly the people who live in that area can well afford to pay that, particularly in view of the fact that there is a very nice, a very substantial revenue coming back to all of the people of Ontario through revenues that would be derived from the American tourists.

I for one would very much support the Burlington skyway toll simply because all of the people who live in the other part of Burlington, namely around the Queen Elizabeth Way, who are largely working class people, will have a decent access, because revenues derived from this bridge would make it available to them, and we need a northwest entrance, and if there are a few people—and I would suggest that this is only a matter of a 1,000 or 2,000 people—who would be travelling back and forth from that bridge daily, they could well afford to pay it.

Therefore the working man—and I say the working man because in the area of the Queen Elizabeth Way and Aldershot they are working men in the true sense of the word—who probably earns less than \$100 a week, and that entrance up there to him would be of far more advantage. It is a greater asset to the people in Hamilton to have that one built and have the other one tolled, rather than not toll the Burlington skyway and have us do without the entrance to the northwest part of the city which is so badly needed.

Motion agreed to; second reading of the bill.

THE ONTARIO WATER RESOURCES COMMISSION ACT, 1957

Hon. W. K. Warrender moves second reading of Bill No. 167, "An Act to amend The Water Resources Commission Act, 1957."

Mr. H. C. Nixon (Brant): On the second reading, could the hon. Minister tell us what this—

Hon. W. K. Warrender (Minister of Municipal Affairs): I gave a rather lengthy explanation—

Mr. Nixon: Could he just tell us a little of what it means. We have 200 bills here. We cannot remember them all.

Hon. Mr. Warrender: On the first part, as the explanation says—and I think that these are all self-explanatory—the subsection makes it an offence to contravene an order of the commission in respect to the collection, reduction and so on of water for public purposes. There the meaning of the word "order" is broadened.

Then in section 5, which has to do with the supervision of water, the duty of the commission is broadened here, the supervision of all service of ground water as a source of water supply, and to examination of all service and ground water for pollution, and in number 6 it is to insure that water in reservoirs is included in the waters, the pollution of which is prohibited.

Before, the word "reservoir" was not in there and the commission thought there might be cases where the reservoir water might be polluted and that is why that is there.

There is a section here, where under the existing section a licence is required to fill a well as well as carry on business as well drillers. The amendment abolishes the licence to drill a well, but we have changed the licence to carry on business as the well driller.

There is section 8 where the powers of the commission give the commission control of water works undertaken without the required approval of the commission.

Then, in subsection 2, it clarifies that the commission may refuse to grant its approval to a water works or impose conditions to its approval in the public interest.

That by the way, was in the public health section, I understand, and was merely taken over in here and broadened for the commission purposes.

And then in section 9 the amendment requires that the commission be advised of the location of the waters into which it is proposed to discharge sewage when the approval of sewage works is sought.

I think that is self-explanatory because the commission wants to know just what waters might be contaminated by the sewage, and to make sure that the sewage is properly treated.

Then in subsections 2 and 3, there are provisions respecting sewage works, corresponding to the same section previously in respect to water works. The other are self-explanatory, I think.

Mr. Nixon: Is this the first that we have had legislation requiring anyone who wants to drill a well to get a licence from the commission?

Hon. Mr. Warrender: That was in The Well Drillers' Act and it has now been incorporated into this Act.

Motion agreed to; second reading of the bill.

THE MUNICIPALITY OF METROPOLITAN TORONTO ACT, 1953

Hon. Mr. Warrender moves second reading of Bill No. 180, "An Act to amend The Municipality of Metropolitan Toronto Act, 1953."

Motion agreed to; second reading of the bill.

THE ONTARIO MUNICIPAL BOARD ACT

Hon. Mr. Warrender moves second reading of Bill No. 181, "An Act to amend The Ontario Municipal Board Act."

Motion agreed to; second reading of the bill.

Hon. Mr. Warrender: Mr. Speaker, I think that I gave a rather full explanation on first reading. However, may I say that these two sections are quite important, and I will give a further explanation, as it says here the amendment provides for the appointment of an acting member who has special qualifications to assist the board in respect to any particular application.

The point there is that, as someone has said today, the members of the municipal board are quite busy, and it was thought by the chairman of the municipal board, in selecting a panel of persons who have a special knowledge or training, that those persons on occasion might be appointed members of the board for that particular hearing, that they would bring a new look at some of these problems which are facing the board. It would also help to take the burden off the members of the board who have so many of these hearings to conduct.

And then in the second part it is authorized that the board, upon request of the Honourable the Lieutenant-Governor-in-Council, may conduct an inquiry into the reorganization of municipal governments in any designated area.

That is the point which I made this afternoon, Mr. Speaker, that the municipal board can go into a designated area, designated by the Honourable the Lieutenant-Governor-in-Council, and the board would therefore have the right or the power to look into all

the municipal problems which exist in that area, to decide whether a metropolitan form of government might be the solution to that problem, whether it might be annexation or amalgamation or some solution somewhere in between those two extremes—the extremes of super-metropolitan government or the other extreme of straight annexation.

THE TRAVELLING SHOWS ACT

Hon. A. K. Roberts moves second reading of Bill No. 183, "An Act to repeal The Travelling Shows Act."

Motion agreed to; second reading of the bill.

GENERAL WELFARE ASSISTANCE TO PERSONS

Hon. L. P. Cecile moves second reading of Bill No. 176, "An Act to provide general welfare assistance to persons."

Motion agreed to; second reading of the bill.

THE ONTARIO FUEL BOARD ACT, 1954

Hon. J. W. Spooner moves second reading of Bill No. 178, "An Act to amend The Ontario Fuel Board Act, 1954."

Mr. C. E. Janes (Lambton East): Mr. Speaker, Would now be the time? I was not in for the first reading of this bill, section 10, where one can appeal from the judgment of the board of arbitration to the municipal board.

Mr. Speaker, I wondered if there should not be some protection to the property owner, because the company could carry the property owner to the municipal boards and to the supreme court and he could not afford to go to those courts. I would say that if he would settle, possibly without going to that, if the corporation appealed it, I am afraid that the farmer would be frightened to go on and he would settle it.

Another thing in the same section, if—

Hon. J. W. Spooner (Minister of Mines): May I interrupt the hon. member for a moment. I think, the hon. member is discussing Bill No. 182, which is The Gas Pipe Lines Act.

Mr. Janes: Well, sir, is not this same ruling in the same section applied?

Hon. Mr. Spooner: The sections are not numbered the same. If the hon. member will let me give the explanation then, I think that he could have his answers.

Mr. Speaker, I would like to give a short explanation of this bill.

Section 2 of the bill gives to the Ontario fuel board the authority to extend to persons the right to restore gas in any area which has been designated by the board as a natural gas storage area, and provides for the payment of compensation and damages resulting from the act of storing gas, the manner of determining compensation, the appointment of a board of arbitration, the practices and procedures to be followed with respect to arbitration, and appeals to the Ontario municipal board from the board of arbitration, and an appeal to the Ontario court of appeal with respect to compensation.

Section 3 of the bill provides that an industrial user of natural gas must hold a permit if the gas is being used for space heating. Heretofore only residential and commercial users were required to hold a permit for space heating.

Section 4 of the bill provides that no person, on and after January 1, 1959, shall drill or sink a well unless he holds a permit for such purpose. Under the present legislation a permit is not required. The purpose therefore of this amendment is to enforce a better system of control of the drilling and completion of wells in the province.

A subsection of section 4 provides for the issue of a board label for use on gas and oil appliances where it is not expedient to acquire a seal of approval or label of an authorized testing agency.

Another subsection provides for control of the installation and use of pressure vessels for liquefied petroleum gas having a capacity of 2,000 imperial gallons or less subject to the provisions of The Boiler and Pressure Vessels Act and The Gasoline Handling Act.

Another subsection of section 5 provides for the issue of licences, permits and labels under any of the provisions of the Act.

Subsection 2 of section 5 provides that the board may, by regulation with the approval of the Honourable the Lieutenant-Governor-in-Council, adopt by reference in whole or in part, and may make such changes as the board considers necessary to any code or standard adopted or sponsored by the Canadian gas association, the Canadian standards association, the American gas association, the national fire protection association

or the Dominion board of insurance underwriters.

Section 6 of the bill, which I think is one of the most important sections of the bill, provides that every order of the board heretofore made that purports to grant to a person the right to inject or store gas in a designated natural gas storage area shall deem to have been made under the authority granted in section 2 of this 1958 amendment Act, and shall include the power of requiring the payment of compensation with respect to petroleum and natural gas rights and compensation for any damages resulting from the exercise of authority given under any order of the board.

Now, Mr. Speaker, this is a retroactive section which validates any orders made by the board pursuant to the designation of natural gas storage areas or any order respecting the storing of natural gas.

Section 7 of the bill provides that the Act will come into force on the day that it receives Royal assent, except section 3, which is the section which provides that an industrial user of natural gas must hold a permit if the gas is to be used for space heating.

I would be glad to answer any questions that the hon. members have.

Mr. Janes: The only criticism that I have of the bill at the present time—and I might say to the hon. Minister that, since I have finished reading over with him, I have been looking at it and discussing it—the only objection that I would have would be that it puts a property owner at the mercy of a large corporation. They can keep on appealing any decision in characters of municipal boards, and included in that is the supreme court, and the property owner would have to provide himself with a lawyer and it might run into a lot of money, far more than the property is worth.

I think that there should be a check made there, and I would think that either the corporation or the department should pay the expense of that appeal. Other than that, I think that the bill is good.

Hon. Mr. Spooner: Mr. Speaker, in answer to the hon. member's question, which I appreciate very much, I can only say that we have attempted in the new bill to provide the greatest and the broadest amount of protection for all parties concerned. Of course, any legislation has to work both ways.

We will attempt, through the method of arbitration that we are setting up in the first stage, that there should be a very minimum of expense involved. I would suggest that

only those cases that are of some important amount would go to appeal, and the parties concerned would have to decide for themselves just how important the case was. Actually, the method of arbitration that we have, or recommend, is new, in connection with this type of legislation, and we hope that it will work satisfactorily. Of course, if it does not work, the errors in it will show up within a year or so, and we can then do the necessary thing in the way of amendments.

Mr. Janes: I would like to congratulate the hon. Minister on the efforts and work that he has put on this bill and the pipe lines bill. He has done an excellent job, and I am very proud and happy about what he has been doing, and I think that I will pass up that objection as I have the same objection to each bill. But I will pass it up and discuss it with the hon. Minister further, in private.

Motion agreed to; second reading of the bill.

THE UPPER CANADA COLLEGE ACT

Hon. W. J. Dunlop moves second reading of Bill No. 179, "An Act to amend The Upper Canada College Act."

Motion agreed to; second reading of the bill.

Hon. Mr. Frost: Mr. Speaker, I move you do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to; House in committee of the whole.

Clerk of the House: Resolution by hon. Mr. Roberts, *Resolved that:*

the Lieutenant-Governor-in-Council does hereby authorize to raise from time to time in way of loan such sum or sums of money as may be deemed expedient for any or all of the following purposes:

For the public service,

For works carried on by commissioners on behalf of Ontario.

For discharging any indebtedness or obligation of Ontario, or for reimbursing the consolidated revenue fund for any monies expended in discharging any indebtedness or obligation of Ontario, or making any payments authorized or required by any Act to be made out of the consolidated revenue fund, or for reimbursing the consolidated revenue fund for any payments so authorized or required,

and for carrying on the public works authorized by the Legislature, provided that the principal amount of any securities issued and sold for the purpose of raising any sum or sums of money by way of loan authorized by this Act, together with the amount of any temporary loans raised under this Act to the extent that such temporary loans are from time to time outstanding or have been paid from the proceeds of securities issued and sold under the authority of The Financial Administration Act, 1954, for the purpose of such payment shall not exceed in the aggregate \$250 million.

That any such sum or sums may be raised in any manner provided by The Financial Administration Act, 1954 and shall be raised upon the credit of the consolidated revenue fund and shall be chargeable thereupon

as provided by Bill No. 165, An Act to raise money on the credit of the consolidated revenue fund.

Hon. Mr. Frost: Mr. Chairman, I beg to inform the House that the Honourable the Lieutenant-Governor (Mr. Mackay) having been informed on the subject matter of the proposed resolution recommends it to the consideration of the House.

Resolution concurred in.

ESTATE OF

MELVILLE ROSS GOODERHAM,
KATHLEEN ISABEL DROPE TRUST,
AND CHARLOTTE ROSS GRANT TRUST

House in committee on Bill No. 29, An Act respecting the estate of Melville Ross Gooderham, the Kathleen Isabel Drope trust and the Charlotte Ross Grant trust.

Mr. R. Macaulay (Riverdale): Mr. Chairman, I thought I might just say a word or two about this bill so that it might perhaps be more intelligible to the hon. members of the House.

This is a private member's bill which was introduced for a specific purpose and this is the purpose: Mr. Gooderham, who was the founder of the Manufacturers' Life Company, died in 1951. He was the owner of, amongst other assets, 68,000 shares of Manufacturers' Life Company and he provided in one or more of his trusts in his will that these shares could not be sold for a 10-year period. That would carry it to 1961.

At the time that Mr. Gooderham died, the law of Canada was this, that a company could not, what is called in law, mutualize. a company such as an insurance company could not, what is called in law, mutualize. That means that the company buys all of the shares back from its shareholders, and the shareholders in the future are nothing more than the policyholders in the company, so that if there are to be any profits or dividends they will be given back to the policyholders rather than the public, so that in short the policyholders of the company are the shareholders of the company.

Now I am confident that when one reads Mr. Gooderham's will, that had the law been when Mr. Gooderham wrote his will, or when he died, that he thought the Manufacturers' Life Company could have been turned into a mutual insurance company, he would not have provided a 10-year period during which the shares could not be sold.

Now as it is, the Americans have shown a very great interest in Canadian insurance companies, and one of the fundamental reasons for it is that we have much higher requirements for stability of funds put aside according to regulation of the inspector of insurance in Ottawa than do American insurance companies. Americans are buying stock in Canadian insurance companies rather heavily, or they were until recently, they may not be now, I am not familiar with the present facts.

In order to keep Canadian insurance companies mutualized in Canadian hands, now is the time to permit the Manufacturers' Life Company to mutualize, but in order to do so, the company has to buy—it has to succeed in buying—at least 50 per cent. of all of the shares outstanding in the company. Mr. Gooderham's estate holds about 47 per cent. or 48 per cent., and it would have made it virtually impossible for the Manufacturers' Life Company to mutualize so long as these shares were held by the Gooderham estate and the Gooderham estate could not sell them.

And so, two or three years in advance by this legislation, the Gooderham estate is given legal permission to sell the shares back to the Manufacturers' Life Company so that it may mutualize, and thus the company will become, as are many other Canadian insurance companies today, a mutual insurance company. That is the purpose of this legislation.

This bill was sent to the committee of the judges of the supreme court who approved of it and there is a report I think in the *Votes and Proceedings*, I do not recall on what

page, saying they think the bill is in the public interest, and also there were represented all parties who could have any interest in the Gooderham estate, and they have all consented to the enactment of the legislation.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 29 reported.

THE MORTGAGES ACT

House in committee on Bill No. 61, An Act to amend The Mortgages Act.

Sections 1 and 2 agreed to.

Bill No. 61 reported.

THE LAND TITLES ACT

House in committee on Bill No. 65, An Act to amend The Land Titles Act.

Sections 1 to 12, inclusive, agreed to.

Bill No. 65 reported.

THE DEPARTMENT OF MUNICIPAL AFFAIRS ACT

House in committee on Bill No. 131, An Act to amend The Department of Municipal Affairs Act.

Hon. Mr. Warrender: Mr. Chairman, I should like to move an amendment. I move that Bill No. 131, An Act to amend The Department of Municipal Affairs Act, be amended by adding thereto the following as section 2, by re-numbering the present sections 2, 3, 4, as sections 3, 4 and 5.

Section 2: clause (f) of section 9 of The Department of Municipal Affairs Act is amended by adding at the end thereof "or upon the government and administration of municipal affairs in any municipality or municipalities" so that the clause shall read as follows:

(f) Study, report, and advise upon the system of municipal institutions and the government and the administration of municipal affairs or upon the government and administration of municipal affairs in any municipality or municipalities.

This amendment provides that The Department of Municipal Affairs may study, report and advise upon the government and ad-

ministration of any municipality or municipalities.

As I indicated in my few words this afternoon, where such cases develop in the province such as Manitouwadge, Elliot Lake, Bicroft and so on, this will give us the power to go in there and make a study of their needs and to advise them accordingly.

Section 1 agreed to.

Section 2 agreed to.

Section 3, formerly section 2, agreed to.

Section 4, formerly section 3, agreed to.

Section 5, formerly section 4, agreed to.

Bill No. 131, as amended, reported.

THE POWER COMMISSION ACT

House in committee on Bill No. 110, An Act to amend The Power Commission Act.

Sections 1 to 5, inclusive, agreed to.

Bill No. 110 reported.

THE ADMINISTRATION OF JUSTICE EXPENSES ACT

House in committee on Bill No. 111, An Act to amend The Administration of Justice Expenses Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 111 reported.

THE LIBEL AND SLANDER ACT, 1958

House in committee on Bill No. 114, The Libel and Slander Act, 1958.

Sections 1 to 28, inclusive, agreed to.

Bill No. 114 reported.

THE MINING ACT

House in committee on Bill No. 124, An Act to amend The Mining Act.

Sections 1 to 12, inclusive, agreed to.

Bill No. 124 reported.

THE MILK INDUSTRY ACT, 1957

House in committee on Bill No. 125, An Act to amend The Milk Industry Act, 1957.

Sections 1 to 8, inclusive, agreed to.

Bill No. 125 reported.

THE FARM PRODUCTS MARKETING ACT

House in committee on Bill No. 126, An Act to amend The Farm Products Marketing Act.

Sections 1 to 6, inclusive, agreed to.

Mr. MacDonald: Mr. Chairman, before this section 7 is reported, may I ask the hon. Minister this: since this legalizes what were illegal procedures in the instance of the wheat vote, does that mean that the wheat vote can be challenged?

Hon. W. A. Goodfellow (Minister of Agriculture): I notice that I have not the Act before me, but there is a section there that all plans in effect, on Royal assent, become legalized so that if there was any question over the wheat vote, as soon as Royal assent is given to this amendment it automatically stands.

Section 7 agreed to.

Bill No. 126 reported.

STORAGE OF FARM PRODUCE IN GRAIN ELEVATORS

House in committee on Bill No. 127, An Act to regulate the storage of farm produce in grain elevators.

Sections 1 to 21, inclusive, agreed to.

Bill No. 127 reported.

Hon. Mr. Frost: Mr. Chairman, I move the committee do rise and report certain bills with and certain bills without amendment.

Motion agreed to.

Mr. Chairman: The committee of the whole House begs to report that it has come to a certain resolution, passed certain bills without amendment, and one bill with amendment, and begs leave to sit again.

Report agreed to.

The House resumed; Mr. Speaker in the chair.

Hon. Mr. Frost: Mr. Speaker, I move you do now leave the chair and the House resolve into committee of supply.

Motion agreed to; House in committee of supply.

Hon. Mr. Frost: Mr. Chairman, before the hon. member starts his budget debate speech, might I say that according to the time bell it is 6 o'clock. Would the hon. Chairman so recognize 6 o'clock?

Mr. Chairman: It is now being 6.00 of the clock, I do now leave the chair.

Mr. Thomas: Would the hon. Prime Minister please indicate what is likely to happen this evening as to the order of things?

Hon. Mr. Frost: There will be the budget debate tonight. We might take some of the bills on the order paper following that, but they would be non-contentious in variety.

I may say that I am anxious to call the various notices of motion, particularly one that stands in my hon. friend's name for debate, and I will arrange that, but I do not imagine any of them will be called tonight; I think tomorrow or the next day.

It being 6.00 of the clock, p.m., the House took recess.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Monday, March 24, 1958

Evening Session

Speaker: Honourable The Rev. A. W. Downer

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, MARCH 24, 1958

8 O'CLOCK P.M.

The House resumed.

ON THE BUDGET

Mr. A. R. Herbert (Temiskaming): Mr. Speaker, it is my privilege tonight to speak on behalf of the people who reside in one of the most promising sections of our province, the riding of Temiskaming. It is endowed with all the prerequisites for its dynamic economy.

Despite world unrest the frontiers of the future lie invitingly before us. These frontiers of tomorrow call for bold enterprise, for optimism, for the united effort of industry, labour, agriculture and government. This promise of progress is daily taking more definite shape and clearer form as it shakes free of the post-war mist.

And now, Mr. Speaker, may I turn my attention to a subject in which hon. members are all vitally interested and that is agriculture and its future in this part of the province. During the past few weeks, while the Legislature has been in session, I have had several discussions with the hon. Minister of Agriculture (Mr. Goodfellow) and I can assure you that he is keenly aware of the importance of agriculture in Temiskaming and its future potential.

Last summer on my suggestion, the hon. Minister and Dr. C. D. Graham paid a visit to this section of the province and spent considerable time in looking over the various farm areas and visiting the co-operatives. I might say that they were greatly impressed and returned to Toronto with increased appreciation of our needs. As a result several changes in policy have been adopted which will do much to increase the assistance given northern Ontario in meeting the problems peculiar to this section of the province.

Indicating the hon. Minister's interests in developing the agricultural resources of this area to the fullest extent, it is my privilege to announce that Mr. John D. Butler, an outstanding authority on beef production, has been appointed chief instructor and extension specialist of the department's demonstration farm at New Liskeard.

Mr. Butler, at present associate agricultural representative in Renfrew county, has long been associated with beef production programmes in Huron and Renfrew counties and has shown outstanding leadership in beef cattle production. He will take over his new duties on May 1.

Like the hon. Minister of Agriculture, I have always felt that there is a tremendous future in the raising of beef cattle in northern Ontario. Nowhere in the province can forage be so abundantly produced.

It is for this reason that the northern Ontario livestock policy was initiated. This policy has for its purpose the enabling of farmers to obtain approved breeding stock at a delivered price comparable to stock delivered to farmers in Old Ontario.

As hon. members know, through this policy farmers in Temiskaming can receive freight assistance grants to the amount of \$13 per head on cattle, one year of age or over.

As a further stimulant, the policy to assist farmers in the clearing and breaking of land suitable for agricultural purposes has been amended. Previously grants of \$12 for clearing and \$6 for breaking were paid per acre. Under the revision 50 per cent. of the cost for clearing and breaking up to a maximum of \$25 an acre will now be allowed.

Under the revised grant, however, such grants will only be paid in the case of a bona fide farmer who resides on a farm in a territorial district and who derives approximately 50 per cent. of his income from the farm and does not work at any other occupation for more than 5 months in any calendar year.

As in the past, the subsidy will be paid only when the land is cleared and broken. Where a farmer has previously received a subsidy for clearing the land and applies for assistance in breaking, the department will pay 50 per cent. of the cost of breaking the land up to a maximum of \$6 per acre up until December 31, 1959.

I must point out, however, Mr. Speaker, that no subsidy will be considered on any land on which a subsidy has previously been paid but which through disuse requires re-clearing and rebreaking. I think this indicates

in no small measure the interests of the department in the welfare of the farmer.

It may be of interest to know that from the period of April 1, 1957, to December 31, 1957, the sum of subsidies for land clearing in Temiskaming was \$29,000, while for breaking subsidies \$14,500 were paid out. Subsidies toward the provision of farm water supply totaled \$3,500 for the same period.

May I revert again to the demonstration farm at New Liskeard. Shortly before leaving Toronto, the hon. Minister of Agriculture told me that it was his intention to make the farm a demonstration farm in the widest sense. It is the intention to widen the facilities and activities to bring the latest information and practices to the farmer on a sound, practical basis.

One of the things that has impressed me most in recent years has been the growing appreciation of the important part played by agriculture in the economy of the province as a whole. That, to my mind, is a very good thing, for in the last analysis all of us are dependent on the farm and its products. Without the farm industry as such we would cease to exist.

It is therefore gratifying that the Ontario government and its elected members have displayed so much interest in developing to the fullest extent, sound programmes, designed to assist the farmer in the growing and raising of quality products both in field crops and livestock.

While it must be admitted that agriculture during the past year has witnessed a slight falling off as is common with many other forms of industry, there is nevertheless a bright side of the picture. Ontario farmers have had the ingenuity to adapt themselves to changing conditions. Today a very large number of farmers have placed their operations on a sound business basis by setting up a set of books with the result that weak spots in their operations have been ironed out and in many cases losses have been turned into profits.

Much of the success that has been attained in this direction is the result of the activity of The Department of Agriculture through its farms economic branch, in setting up the necessary machinery which makes business analysis of the farm operation. It was gratifying to learn that the interests of the farmer in the previously neglected side of his operation has resulted in the creation of some 29 business management associations throughout the province.

In addition, a new farm account book was developed at the Ontario agricultural college, and it is now being used by 10,000 farmers in this province. Farmers in this area who may be interested may secure further details from their local agricultural representative.

At this time I would like to give some of the figures on agriculture, the gross production and income according to the latest available figures.

The gross value of agriculture production in Ontario last year is estimated at \$1,078,756,000 as compared to \$1,096,341,000 in 1956. The cash income of Ontario farms in 1957 is estimated at \$745,448,000 as against \$749,293,000 in 1956, or a decrease of .5 per cent.

Due to the increasing cost of materials and services used by farmers, the net income dropped 3.5 per cent. from \$405,560,000 in 1956 to \$391,404,000 in 1957.

While Ontario farmers were more fortunate than farmers in some other provinces, due to the fact that most of the income some 70 per cent. came from the sale of livestock and dairy products, the general picture was dim by reason of the fact that field crop production was 5.4 per cent. lower in 1957 than in 1956. An increase in the aggregate volume of production of 6.87 per cent. was more than offset by an average decline of 11.48 per cent. in prices obtained.

With many hon. members present being interested in livestock, I am sure that the work of the department in connection with brucellosis control will be of interest. As they are aware, as of April 1 of last year, the expansion of the Brucellosis control programme reached such proportions that the government felt justified in designating the province as a supervised area and as a result it became necessary for every cattle owner to vaccinate his female calves.

It will be recalled the federal government approved regulations which made provision for the establishment of brucellosis control areas, that is areas in which all cattle except those exempted must be tested and the reactors sold for slaughter. In February of this year the Ontario government asked that the counties of Prince Edward and Oxford come under the test and slaughter plan. This programme is essential if we are to protect our export market for several of the states have been designated as certified areas, and only cattle from areas having similar status may be admitted.

Generally speaking, I think it can be said that the programme of the Ontario Department of Agriculture is based on 3 fundamentals—namely the proper use of lands, efficient farm management and good marketing methods.

With these things as an objective, the department seeks to be of service to the farm people of Ontario and through them the people of Ontario as a whole. I am not one of those that subscribe to the suggestion that in view of our industrial expansion the importance of agriculture is waning, rather I feel that in the forthcoming year it will make an ever greater contribution to the state.

With that in mind, those concerned with the welfare of our farm industry are planning for even greater expansion in the future. During the past few years our agricultural economy has undergone significant change. Today sees us entering upon a period in which the margin between the demand for and the production of food is rapidly narrowing.

With the population increasing at an unprecedented rate, it is obvious that consumer demand will increase. It would therefore appear that the primary producer can look forward to increased markets which, in turn, would enhance its contribution to the economy of the province as a whole.

While it is a task of considerable proportion to endeavour to assess what the future holds in store for agriculture during the next few years, I think we can be assured that the business of farming will continue to advance on both practical and scientific levels.

It is my feeling that, as the next few years pass, agriculture will assume a position of even greater importance in the economy of the province and the country as a whole.

Mr. R. Whicher (Bruce): Mr. Speaker, in rising to speak on this budget debate, may I first, once again, congratulate you on the capable and fair manner in which you have presided over this sitting of the Legislature. It is a privilege and an honour to have you so do.

In mentioning the word "sitting", I must remind the hon. members of our new chairs kindly bought through the good offices of the hon. Minister of Public Works (Mr. Griesinger), but more important, bought from Bruce county from Coombs Furniture who manufactured these products in the beautiful little lakeside town of Kincardine. As the elected member for Bruce, may I say that I

appreciate the political patronage so often labelled by the hon. Prime Minister (Mr. Frost) as good government.

And now for the budget. Before attempting to tackle the big man of the Legislature—hon. Prime Minister and Provincial Treasurer—I must for a few moments devote myself to some of the remarks made by the member for York South (Mr. MacDonald) in his budget address. I am going to refer particularly to his attitude and words which were evident then, and have been shown on many occasions, as far as the business corporations of the province are concerned—that his opinions and those of his fellows, both here and outside the House, emphasize the fact that corporations as a whole are making too much money, and that we should take even more than the 49 per cent. that is now being taken away from them in the form of corporation taxes.

I am going to refer particularly to a speech entitled "Danger Ahead" by Mr. Stuart Armour, economic adviser to the president of the Steel Company of Canada before the Toronto board of trade just a year ago now.

While there are many people who may think that Mr. Armour's opinions would necessarily be biased because of his position, nevertheless, I feel that it was a speech that should be read by all members of Parliament, whether on the government side or the Opposition, because it tells in plain words the fact that there is danger ahead for our way of life by taxing ourselves practically out of existence and, by so doing, taking our desire for initiative and incentiveness from people who are so heavily burdened by taxation.

Mr. Armour, in building his argument for less, and not more taxation, speaks as follows—and I quote:

What is the Canadian way of life? It is a co-operative effort of free men and women to so govern themselves that the highest potentialities of all citizens may be usefully developed. Inevitably such a system must be based upon a system of free enterprise, because only under such a system can man develop himself in freedom as an individual.

Whenever the system of free enterprise is abandoned in favour of statism, whether it be called state capitalism or socialism or dictatorship, the freedom of man must of necessity be circumscribed. For without state planning and direction and control, no system other than private or free enterprise can function.

Even when through regulation and the use of force, a statist or socialist system is made to function it can never accord, except to

its ruling oligarchy, the standards of life and living, and above all the freedom, which constitute the Canadian—the North American—economic, social and political miracle.

In its policy declarations The Canadian chamber of commerce states, and I believe with truth:

That a majority of all Canadians, both in private and public life, accept the political and economic system described as freedom of enterprise.

The Canadian chamber then goes on to say that the danger to freedom of enterprise lies not only in the threat of Communism and the encroachments of socialism, but also through “weakness or lethargy or ignorance within the system itself.” The Canadian chamber declares:

Freedom of enterprise is not a negative concept—it is a positive, dynamic faith which imposes on the individual the duty to be enterprising and, in doing so, to maintain a high standard of ethics in the community and to contribute to the common welfare. In short, freedom of enterprise is the individual's freedom to enterprise—to make up his own mind and to take his own chances.

Those are ringing words, gentlemen, and if we are to be faithful members of the Canadian chamber of commerce and good citizens of Canada they constitute a real and challenging responsibility. Certainly if we see our way of life threatened from any quarter—whether by the action of government or by the weakness, lethargy or ignorance of those who enjoy that way of life—it is our duty to speak out. Moreover, we should speak as forthrightly and loudly and clearly as we are capable of doing.

I feel that through our current level of taxation we are now confronted by a very great danger to the continuance of our way of life. I also feel that there is far too much weakness, lethargy and ignorance with respect to taxation even on the part of businessmen and other members of society who should know better.

Recently the Timken Roller Bearing Company, which apparently takes seriously its duty to overcome weakness, lethargy and ignorance within the free enterprise system, published an advertisement. That advertisement took the form of a sort of clock face which showed the natural progression of mankind in the absence of eternal vigilance.

According to that clock face the natural progression is from bondage to spiritual faith, from faith to courage, from courage to liberty, from liberty to abundance, from abundance to selfishness, then on to complacency, apathy, dependency and back to bondage.

The Timken advertisement asked at which stage the American people had now arrived.

It is also a very good question for Canadians to ask about themselves after 10 years of super-abundance. To me it seems that we are now somewhere between the stage of selfishness and of complacency.

Others with whom I have talked feel we are at the stage of complacency, and that in no place does complacency appear more apparent than in the current attitude of many Canadians toward taxes. This should make us all fearful, as we remember that complacency is the stage just before apathy, and that apathy is awfully close to dependency. When we reach dependency we shall be dangerously close to bondage.

Recently, Mr. V. W. Scully, former federal Deputy Minister in charge of income tax, said publicly in Hamilton:

Money, desperately needed for plant investment and expansion is being syphoned away from corporations and individuals. This has become a vicious and chronic habit with our governments. It is one that could some day bring about the end of this system of free enterprise which has enabled us—all of us—to prosper as we have.

It is probable that no statement from a former civil servant has ever approached that warning in its directness. Coming from such a source one might have expected the statement that high taxation has now become a vicious and chronic habit of government to bring about a great public outcry. But not at all. Most newspapers, although themselves dependent upon private enterprise for their very existence, have chosen to ignore that courageous warning of a man who certainly knows better than most of us whereof he speaks.

In the same speech in which the statement I have quoted occurred Mr. Scully said:

Extraction by taxation is a disease like creeping paralysis. There was a time when public opinion would have rebelled at the sort of thing that we now have grown accustomed to. Inter-governmental squabbles are not over the injustice to the contributor but over the division of the spoils.

Since some Canadians through weakness, lethargy or ignorance may be disposed to say: "So taxes are high. So business is good. So what difference does it make?" Perhaps I should spell out for their benefit why they should rebel.

In the first place, high taxes are the surest way of taking the incentive out of life for the individual. When incentive is crushed by reason of the burden of taxes those with initiative seek to escape from their deadening effect. We are witnessing at this moment a great exodus from Britain, which has been in considerable measure induced by the feeling "Oh what's the use?"

High taxes also inhibit corporations from expanding. They thus limit the employment potential of private industry.

If, as a result of confiscatory taxes, individual incentive is destroyed here, and employment opportunities fail to keep pace with population growth, then you may be sure that we shall be faced with very serious trouble.

Currently there is almost violent agitation in the United States against the tax burden in the country. That agitation must appear the more remarkable to complacent or apathetic Canadians when it is remembered that the income of the average American last year after taxes was nearly 30 per cent. higher than that of the average Canadian after taxes.

Should the current agitation in the United States result in lower American taxes, and the tax burden on Canadians remains unchanged, we shall most certainly have to say goodbye to a lot of our most ambitious and enterprising young Canadians.

If the present level of Canadian taxes is raised still farther—and new demands are being made upon every level of government every day by unthinking but powerful interests—then we are likely to see our population outflow assume almost stampede proportions.

So it is really up to each Canadian to decide here and now whether he wants this country to be great as a result of an expanding and dynamic private enterprising economy or whether he prefers to live here in a static society wherein his life is more and more controlled by the State.

Every time we ask the State to do something for us which we can and should do for ourselves—or ask the State for something which we can do without—we are inevitably surrendering to the State a little more of our hard-bought personal freedom. We are also making inevitable a higher level of taxes.

The only way to cut taxes is to cut government spending. The only way government expenditures can be reduced is through the determination of the people of Canada that they shall be reduced. What we badly need here in Canada is agitation against taxes as violent as that which is now causing United States politicians to stop, look and listen.

There are those who say to you that Canadians have become habituated to high taxes, and that nothing can be done about it. My reply to that sort of defeatism can best be summed up in the one word "Nuts." No human beings are clods; and Canadians have amply proved by their actions and their accomplishments that nothing daunts them when they make up their minds to do a thing. What we businessmen have got to do is to rouse them to a realization of the dangers they face.

It is because of the failure of public opinion to rebel at current taxation, that I sometimes wonder whether we Canadians are, in fact, moving from complacency toward apathy, dependency and bondage. Whether there is not grave danger ahead for us and for our children and their children—danger to free enterprise, danger to personal freedom, danger to our self-governing Canadian way of life.

Hence, it is greatly to the credit of the Hamilton chamber of commerce that two most important paragraphs from Mr. Scully's speech appear as the "Quote of the Month" on the cover of its March 1957 *Bulletin*.

But what of other chambers of commerce and boards of trade? The Canadian chamber of commerce in its latest policy declaration said:

Business must be able to retain sufficient of its profits to assist in providing for essential growth in an expanding economy. It cannot do this if its tax burden is excessive or inequitable.

Mr. Scully in his Hamilton speech referred to "our present confiscatory tax systems", so I presume that the burden of taxation borne by Canadian business may now be described as excessive.

Such figures as are currently available would certainly tend to bear out such a presumption.

Between the year 1950 and the year 1955 (the latter being the latest year for which Bank of Canada figures are available at present), the profits of Canadian industry before taxes increased \$366 million, or by about 14⅓ per cent. Yet in the same 5-year period, profits after taxes of Canadian

industry increased only \$71 million, or by about 4.7 per cent.

What sort of an incentive system is that? How long can Canadian industry continue to hand over to the State nearly 80 per cent. of its increased profits (which are largely the result of enormously heavy capital expenditures) without finding itself in serious trouble? And how can the people of Canada themselves afford to see our industry become static or worse?

After all, not only our present standard of living, but also our hopes for the future are bound up with the success of our industrial enterprises. Such enterprises are enormous users of capital, and they can only get the capital they need if such capital is assured of a reasonable chance to earn a return in keeping with current money market rates.

In quoting Mr. Armour so extensively I have done so because I believe he has put into words what is in the hearts of all "freedom of enterprise Canadians". In this belief, the old parties are united, only the socialists are against it and they really believe that practically all of the money should be taken from the corporations, forgetting that in so doing, they will bring catastrophe to our nation.

In his budget address, the hon. Prime Minister, in his efficient and capable manner, smoothed out all departments of government, at least to the satisfaction of his own followers. Before attacking the budget, which I must as my duty as an opposition member demands, may I pay a small tribute to him. I believe sincerely that he really thinks that he is right. What he has forgotten is that he could be wrong!

From *H.M.S. Pinafore* we read that "things are seldom what they seem; skimmed milk masquerades as cream." I suggest that the cream that the hon. Prime Minister has tossed to the taxpayers of the province is very much skimmed milk!

It is not my purpose to discuss the departments of government, nor have I any intention of breaking down the various estimates. I am rather going to speak about the debt—a word that will haunt the government whenever it calls the next election. As a matter of fact, the hon. Prime Minister is worried about it now. I can just imagine him working over the budget figures, saying to himself: "Every now and again this yearly deficit worries me—and then I remember that I am at the head of the Ontario government and not an Ontario corporation."

How long, Mr. Speaker, can an Ontario corporation continually go into debt? How long can the Ontario government continually go into debt?

Hon. Mr. Frost: How about the Bell Telephone? How long has it been going into debt?

Mr. Whicher: They are expanding and they are taking depreciation, something the hon. Prime Minister is not doing.

Hon. Mr. Frost: Sure I am.

Mr. Whicher: He is not. Not in his statement at all.

Since the hon. Prime Minister was sworn in as head of this government on May 4, 1949, he has not balanced his budget once—not once! When he was sworn in, the net debt was about \$480 million. Next Monday, the end of the fiscal year, it will be about \$860 million, and of this amount, \$153 million has been added in the past two years.

The hon. Prime Minister's attitude is: "What about it?" He claims that the increase in the debt is going into public buildings, parks and highways.

To be fair, we in the Opposition agree to some extent, but highways wear out, parks take money to look after and so do public buildings. Our concern is chiefly with the future; our debt today may not be too high, but what about 10 years from now? Next year alone the government is prophesying that it will be a further \$100 million in debt. And the year after that? Where are we going? What is our plan?

Thomas Jefferson, in 1816, said this, "I place economy among the first and most important of virtues and public debt as the greatest of the dangers to be feared." When the hon. Prime Minister first accepted power, our interest charges per annum were approximately \$20 million. By the end of 1960 the annual interest charged to and paid by the people of Ontario will be well over \$50 million, and by 1970, at the present rate of deficit budgeting, the cost could well be \$125 million, which is well over half of the total yearly expenditure of the province when the hon. Prime Minister took office in Ontario in 1949.

Some record! But the hon. Prime Minister, in his sanctimonious way, says that the people of today cannot be expected to pay for all of the benefits of tomorrow. To some extent, I agree—to some extent that is!

What about the other side of the picture? The story of the next biggest business in Ontario under the hon. Prime Minister's control beside the budget itself. I refer of course to Ontario Hydro.

For the moment, I wish to digress from the budget itself to speak about this great commission under the control of the government of Ontario. But certainly not under the control of the Legislature. Mr. Cotnam, the provincial auditor, put his finger squarely on the problem when he stated that because of the number of commissions now in operation, and because of the growing tendency to create new commissions, a survey should be made to assess the strength and weakness of the present machinery of government. No truer statement was ever written.

Let me refer to the Hydro commission particularly. This billion dollar business is so gigantic and is probably run quite efficiently by its commissioners, but how do we know? We, who are the elected representatives of the people of Ontario have as much to say about Hydro affairs as the man in the moon. I believe that commissions, such as the Hydro, should present estimates before this House in the same manner as The Department of Highways and The Department of Travel and Publicity do. Surely Hydro policy is just as important to us as the policy of The Department of Public Works.

However, this government has built up a series of commissions that do not allow a close scrutiny by us, the legislative members.

Let us look at the liquor commission for a moment. Over \$65 million will be turned over to the hon. Provincial Treasurer by the liquor control board of Ontario this coming year, but what do we know about its affairs? What do we know about its policy, both present and future? Due to lack of time this year, we are not even going to be able to question its officials. Its policy should be discussed by a Minister of this government, and its estimates and expenditures should be presented to us as members of the provincial Parliament under whose jurisdiction the liquor laws of the province come. For example, many hotel men, and for that matter, many Ontario citizens, would like to ask questions of the government, such as:

1. How is it, that from the rulings of the liquor control board (that is, suspensions, cancellations, etc.), there is no appeal?

2. Is Judge Robb appointed for life, and how is it that his rulings are a law unto themselves?

3. Does the liquor control board honestly believe that when it places a man on the indicated list, he is stopped from purchasing alcoholic beverages legally? For example, a man placed on the indicated list in Ottawa is not known to the hotels in Toronto and consequently can buy all the beer that he desires.

These, and many more, questions regarding the operation and policy of this commission should be answered by the simple method of the hon. members of this Legislature being permitted to question an hon. Minister when he presents his estimates to the House.

Interjections by hon. members.

Hon. Mr. Frost: We are starting to do that right tomorrow.

Mr. Whicher: They cannot do it right tomorrow at all.

Hon. Mr. Frost: The hon. member has all these particulars but he does not use them.

Mr. Whicher: And now back to Hydro. Our efforts in knowing anything about it are pathetic. Questions that we want to ask about Hydro policy, financing and services should be answered by an hon. Minister of this government. And he should present estimates in this House early. It is so huge, firstly in the provision of electricity, either by generator or purchase, and its transmission to large industrial customers and rural operating areas, and secondly in its retail operation which is handled in most cities and towns by public utility commissions owned, in most instances, by the cities and towns themselves.

The basic principle governing the financial administration of Hydro in Ontario is that it be provided at cost. In other words, balance the budget but do not gather huge surpluses. With this principle I agree, and it is on the principle of balancing both Ontario Hydro and the province of Ontario budget that I stand by. Such a policy we, in the Opposition, recommend.

Neither is being done. The hon. Prime Minister as Provincial Treasurer of Ontario is putting us further and further into debt, while as the actual head of Hydro, as far as the retail operation is concerned, he is gathering millions of dollars' worth of surpluses.

One would never know it was the same man. Since 1949 he has never balanced the Ontario budget and since 1949 he has always

had large surpluses as far as municipal Hydro is concerned. Indeed, since 1949 he has increased the net debt of Ontario by \$380 million and at the same time he has overcharged municipal Hydro users by well over \$100 million. Some consistency!

In 1956, the surplus was almost \$20 million. Each year without fail it has increased since 1949. What are they going to do—pay the provincial debt with Hydro surpluses? It is not my desire tonight to bore hon. members with too many individual figures of towns and cities in Ontario, but taking the largest and for the year 1956 which is the last year for which figures are available, I can tell them that the city of Toronto has a net profit of over \$3.5 million. In emphasizing this figure, I must point out that they also set aside over \$2.5 million in depreciation which, of course, is only good business.

But surely it is not necessary that the Ontario Hydro should overcharge the people of Toronto, or, in other words, create a surplus of \$3.5 million in one year! It just simply does not add up. And particularly is this more evident when we compare it to the deficits run up each year by the Ontario government itself.

In Hamilton, the surplus was \$1.5 million; in Windsor \$700,000; Woodstock \$120,000; London \$588,000; Ottawa \$636,000, and so on and so forth. 350 municipalities with a total surplus of \$19.5 million. Such is our system of government. The same government is having a deficit year after year in its budget and a surplus year after year in the municipal Hydro financing policy.

Someone has said: "First you get power, then you use it, then you abuse it, and then you lose it." I suggest that this government has reached the state of abusing its power. Sooner than they think, they will lose it.

Mr. A. J. Child (Wentworth): Mr. Speaker, in rising to take part in the debate, I would first like to add my congratulations to those who have preceded me in the fair and able manner in which you have presided over the affairs of this House.

This afternoon, Mr. Speaker, I listened with a great deal of interest to the wailing and "woeing" of the hon. members of the Opposition about the unemployment and depression that we are supposed to have here, and I came across a little article in a book during the recess, and I thought it rather an opportune time to read it. It is called *The Power of Suggestion*. It is by an unknown author,

but I suggest the hon. members listen. I think it is rather apt. It says:

A man lived by the side of the road and he sold hot dogs. He was hard of hearing and he didn't have a radio. He had trouble with his eyes so he didn't read a newspaper, but he sold good hot dogs—

Mr. P. Manley (Stormont): Did he wear a safety belt?

Mr. Child: Yes sir, he had a safety belt on.

He put a sign on the highway telling how good they were, and he stood by the side of the road and he cried out, "Buy hot dogs, mister, they're good." And people bought. He increased his meat and his bun orders, he bought a bigger stove to take care of his trade. He got his son home from college to help him.

But then something happened. His son said, "Father, haven't you been listening to the radio? There is a big depression on. The European situation is terrible and the domestic situation is even worse."

Whereupon the father thought, well, my son has been to school, he reads the papers, he listens to the radio, he ought to know.

So his father cut down on the meat and bun orders, and he took down his advertising signs and no longer bothered to stand by the side of the road to sell his hot dogs. And his hot dog sales fell almost overnight.

Whereupon he said: "You are right, son, we are certainly in the middle of a great depression."

I would suggest that the hon. members of the Opposition might listen to that, there is a moral to it.

And now, Mr. Speaker, I would like to say something regarding welfare, make a few remarks and observations on some of the things I find my people in the riding of Wentworth are particularly interested in. On previous occasions in the House the hon. Minister of Public Welfare (Mr. Cecile) has commented on the value of social approach to the welfare programme, and I might say I am in complete agreement with him on this matter and have recently been reviewing the system as it exists in the United States.

Our neighbours to the south have a comprehensive social security plan known as old age survivors' and disability insurance. Generally speaking, all wage-earners and

salaried employees, plus the self-employed, are covered by the plan. The programme is financed in its entirety by a tax on the worker's earnings or salary.

If the person is an employee the tax is shared equally between him and his employer, each contributing 2.25 per cent. If he is self-employed, he pays a separate tax himself. The present rate, I believe, is set at 3½ per cent., and the taxes are collected on earnings up to a maximum of \$4,200 a year.

I believe it is interesting to look at the benefits which are paid from the fund. These include retirement benefits to the male worker at age 65, and to the female worker at age 62. In addition, benefits are paid to the wife of the retired worker if she is 62 years of age and over, and also on behalf of his dependent children. If the worker should die, survivor benefits are paid to his widow, his dependent children, even on behalf of dependent parents, if a worker becomes totally disabled. He may receive benefits at the age of 50 or over.

I think one of the most significant and interesting points about the whole plan is the fact that all of these benefits are paid as the rate of the individual to receive them. Indeed they have been provided out of the resources of his productive years.

Now contrasting this to the social insurance programme with our social security scheme in Canada, I think there is very little need to overburden the hon. members of the Legislature here, the vast difference between the two approaches, but it is safe to say there is little or no comparison between old age security and the principle of insurance as we actually recognize it.

We are, I believe, all familiar with the use of the insurance to protect us from the numerous hazards over which we have little or no control. We take out life insurance, fire insurance, accident insurance, and insure ourselves in many other ways. Surely the same approach is applicable to the type of people that we have, and to the economy in which there are so many risks to the individual today.

Almost every other country of any industrial consequence in the world today has a social insurance system woven into the fabric of its economic life. And personally, I am convinced that Canada must soon adopt such a plan. I am finding increased interest in such a scheme in my own particular riding.

Frankly, I do not see how we can continue much longer to exist without it. If the gov-

ernment of Canada does not see fit to take such steps immediately, I would humbly suggest that Ontario should lead the way in this regard. It would not be the first venture of a pioneering nature for this province in social welfare legislation.

Two of the most notable examples in which we have led the way, the finest homes for the aged programme in Canada, I think we could say the finest homes for the aged in North America, but we also led the way in giving assistance to the disabled.

Ontario's disabled persons' allowance programme was accepted after 2.5 years of provincial operation as the model for the development of the federal-provincial schemes, which is now in effect in the 10 provinces of Canada, and here again we have the opportunity to give leadership to the development of a plan of social insurance to our people.

I believe there would be many wrinkles to be ironed out, when a plan of this type is first introduced, and I would suggest that Ontario could pioneer this type of plan, work out all the details, improve on the plan that is already in effect in the United States, and one point I would suggest that might be considered would be the lowering of the eligible age to receive benefits for those who become totally disabled.

The social insurance approach to meeting the needs of the majority of our people is, I submit, the only positive, realistic and logical approach to take.

Nobody will argue that we have not come a long way with the development of many fine welfare programmes, and we must continue with these programmes to provide for those who cannot reap the fruits of our economy.

But I suggest we also need to take this step further: I believe we must give those who can and do enjoy productive years, the opportunity to make provisions for themselves and their dependents, when they can no longer benefit from the work of their own hands.

There is no question in my mind that we have already a strong foundation upon which to build such a programme. I believe our present welfare programme will serve to underwrite and strengthen such a plan.

Some may question and ask what will happen to old age security pensions if Ontario proceeded alone with an insurance retirement programme. Mr. Speaker, there is no question in my mind that the two schemes or plans can operate concurrently if necessary. In my view, old age security pensions can form a

most natural supplement to the benefits paid out of the insurance fund. If advisable, I see no reason why such a process could not be continued indefinitely.

From information I have received throughout my riding which should give a fairly good cross-section of public opinion, I believe the people in the province are more than ready to participate in an insurance programme. I am sure most would welcome the opportunity to contribute towards their own retirement years or to the benefits of survivors and dependents, or for the years when disablement might strike and prevent the normal support of gainful employment.

Mr. Speaker, as mentioned previously, we shall of course continue to need the support of the various welfare programmes now in effect, even if we should develop a full scheme of social insurance. I believe people will have a greater feeling of security and independence if they know that they are contributing to their own pension fund and they will know exactly what they will be receiving at retirement age.

This I believe is a more realistic approach to our present system which is based on the fluctuating taxes derived from 2 per cent. sales tax and 2 per cent. income tax and the 2 per cent. corporation tax.

Although mention has been made of such a scheme by The Rt. hon. Prime Minister of Canada (Mr. Diefenbaker), I am firmly convinced that we could expedite the implementing of that scheme in Canada by first pioneering it in the great province of Ontario.

There is one other aspect to welfare that I am finding my people are interested in, and I would like to make a few comments on the one particular welfare programme, old age assistance.

This is, of course, as we all realize, a federal welfare measure which grants assistance to the needy persons in the age group of 65 to 69.

There is I believe a serious need which this programme could be designed and revised to meet. I refer to women who are left widows at age 60, and who find themselves without funds to take care of their daily requirements. It seems to me, Mr. Speaker, that the number of women who find themselves in this condition has increased greatly in the past 8 to 10 years. I suppose this is due to the fact that women generally live longer than men.

Furthermore, the practice of men is to marry women several years younger than themselves. Frankly, I have no quarrel with this, and personally I believe it is desirable.

However, this practice, quite desirable from the man's point of view, and one with which one certainly would not disagree, unfortunately increases the problem of increasing the chances of widowhood for more and more women. Many of these widows cannot support themselves, and they have little or no means to draw upon for their daily requirements.

We have taken care of many categories of need, but this is one in which the gap still remains.

Personally, I feel that we have a ready solution to the problem. All we need to do is to lower the age limit for old age assistance from 65 to 60 years of age for the widows.

In effect, we would then have widows' allowance programmes built in to combine with old age assistance. It seems to me that this is a very simple solution to a very urgent and pressing problem, and I would urge the hon. minister of Public Welfare to approach the federal government and to ask that early consideration be given to amending the federal Old Age Assistance Act so that Ontario and across Canada, widows of 60 years of age who are in need may be given some measure of support within an ongoing welfare programme.

And now Mr. Speaker, I would like to speak rather bluntly for just a minute on a matter which I believe should concern all of the hon. members of this House and I believe that it might concern The Department of Municipal Affairs and the Attorney General's Department.

The subject is closed meetings of municipal councils, municipal boards and municipal committees.

What alarms me is the rate at which these mysterious secret meetings are occurring all over the province. More and more, public business is occurring behind closed doors. I do not know what goes on at most of the meetings, but I do know that a glass curtain seems to have been dropped between many municipal councils and the public whose business they carry on.

There have been prominent cases of this kind in London, and recently in Hamilton, and I think that it is time that The Department of Municipal Affairs took a much deeper study of this situation.

I am not satisfied with the amendments and I make no bones about it, that were made to The Municipal Act this year, and I want to go on record as saying that the municipal councils in every part of the

province are getting away with murder in keeping public news away from the public.

The amendments made to the Act this year I believe should be considered as nothing short of wishy-washy. It is time that somebody stepped in and wrote the law which declares in black and white and in simple English, how much secrecy is to be tolerated in the conduct of municipal business.

In this connection I wish to point out that a municipal council is somewhat different from that of the Legislature or say the House of Commons. In the Legislature and in the Commons, we have a multiple party system, and it is understandable that a party should conference separately behind closed doors in order that they can agree on a stand which they will take in debate.

The condition does not exist or should not exist in municipal levels. Each councillor is an individual, he is not a member of a party, he has no business hiding behind closed doors at a level of government where there is no opposition party to fight its decisions in public.

The question raised in my mind, for instance, is where there are great property deals, and trading of great favours have taken place behind closed doors, and I say to the municipalities of Ontario, "If you are washing it clean, do not be afraid to hang it outside."

I am a property owner in Hamilton, for instance, and I think that I should be entitled the same as everybody else to every bit of information concerning dispensing the local tax monies and the general conduct of municipal affairs.

Every time a council or board or committee go into hiding, I immediately get to thinking that there is some skullduggery afoot, and every time that they go into hiding they are, in effect, slamming the door in the face of the public.

What do you suppose would happen Mr. Speaker, for instance, if one of our standing committees of the Legislature decided to hold a meeting in camera? What do you suppose would happen if the Legislature decided, for some reason that I cannot imagine, to kick out the press for the afternoon or evening meetings? What would happen if the House of Commons, if Parliament suddenly went into hiding? If it is not right for the provincial and federal level hon. gentlemen, then I say that it is not right for the municipal level.

I believe that it is time that this government in enacting its laws, reaffirms the principle that public business is public property. It is a democratic principle and anything short of total acceptance of the principle is something short of democracy.

That is something that must definitely be studied, it should have been studied at this session and should certainly be given full consideration at the next session.

I would like now to speak for a few minutes on another matter that is finding increased interest, and I find more pressure all the time in my particular riding and it is that of compulsory insurance.

I know in my own riding the feeling is that the unsatisfied judgment fund is unsatisfactory and inadequate, surely, to meet today's needs. It is a fact that my constituents do not share the same enthusiasm for the plan that The Department of Transport does.

We had a case back in December of a boy who was awarded \$125,000 as a result of a car accident and the loss of sight. After going through the fund it was announced by the lawyer that the boy will not receive any more than \$5,000. That was the limit of the fund.

However, let me say this, in all fairness to the fund, the lawyer who made application and fought on that boy's behalf did everybody a great injustice. He was well aware of the circumstances of the family, he knew that out of the fund he would only be allowed \$5,000, but for some reason which is difficult for me to understand he asked for a judgment of \$125,000.

The boy, for the rest of his life will be of the opinion that he has been robbed out of \$120,000, and I say this, that lawyer did a grave injustice to the family by doing what he did.

Even if we had compulsory insurance, the boy would have had a maximum of \$10,000, if we had the same compulsory insurance as they have in New York state. That is \$10,000-\$20,000 and \$5,000, I believe, for property damage. So the boy, even with compulsory insurance could not have received any more than \$10,000.

I am very pleased to say that we have those figures in the province today under the unsatisfied judgment fund, with the exception that I think the \$5,000 property damage is \$2,000 but we do have \$10,000 and \$20,000 which has just been raised, thanks to the hon. Minister of Highways.

Now, in discussing compulsory insurance with my constituents, I sent out a few

thousand letters asking for opinions on the subject, and I find that practically all of them support the principle of compulsory insurance.

But when I mention to many of them who have called me the cost of compulsory insurance in Massachusetts, I am not so sure that they are so enthused.

Now Massachusetts, which is comparable to Ontario in automobile registrations and population, is also a highly industrialized state, and I point out that for the same coverage the premiums are often double and triple, and people are somewhat amazed and cannot understand it.

It seems that most people are of the opinion that the more people who are in the plan, the cheaper it should be. But in Massachusetts, for instance, class 1—that is \$10,000 and \$20,000 for injury and \$5,000 property damage—and class 1 is a vehicle used for pleasure with no drivers under 25 years of age. The premiums in Ontario would be for that particular coverage \$28.80. For the same coverage in Boston it is \$139.60

That coverage is \$20 in rural Ontario and in rural Massachusetts it is \$48.40.

The reason for the added premium I find, that in spite of the 40 mile per hour speed limit that the hon. Minister mentioned the other day, that there are something like triple the number of personal injury accidents.

Compulsory insurance has not been a solution to highway safety in Massachusetts. On the contrary, as the figures show, it has been just the reverse.

It is only natural that we expect high premiums when we have so many accidents, and since everybody there is insured and the judges and juries are giving much higher judgments, they are very generous. The only people that can pay for those of course are the drivers who pay through their premiums.

The unfortunate part about their plan, is that it means the good driver is being penalized by the poor driver, who is responsible for the increase in the premiums. This is the type of drivers who says: "I am insured, who cares? The insurance company will pay for it."

However, I believe that this could be overcome by giving a rebate to no-claim drivers. In England I understand that if a driver has a one year no-claim record he is given a rebate of 10 per cent., after a two year period of no-claim period he is given a 15 per cent. to 17 per cent. rebate, and for 3 years he has a rebate on his premium of 20 per cent. to 25 per cent., and I believe in some areas

this is increased to 30 per cent, for 5 years or more.

By giving a rebate in this way, the safe conscientious driver who is careful is rewarded, and receives the benefit of his care in his reduced premiums.

Consideration could be given in reverse for the careless driver, and his premium could be increased after each accident. This I believe would be an improvement over the present system in Massachusetts.

I find, in discussions, that many of my constituents also, when they question the high premiums, often refer to the province of Saskatchewan. It seems that there has been a great deal of publicity about their scheme in Saskatchewan, which is compulsory, and which seems, I must say, low when compared to Massachusetts.

Until I was able to do a little research, I must confess that I was at a loss to give an answer why the Saskatchewan compulsory insurance was so low.

However, I find this, that in Saskatchewan there is a \$200 deductible clause on every damage coverage. Now the average automobile accident claim in Ontario was \$200, in the average Ontario accident which is covering 92 per cent. of all claims. That means that the Saskatchewan insurance policy scheme would not pay anything, and the insured driver would be responsible for \$200.

Now obviously, the insurance rate can be set very low when in the average case the driver pays the lot himself and the insured then collects the premiums. It is interesting to note that practically everyone in North America, with the sole exception of Saskatchewan, state that provincial laws forbid the sale of property damage insurance with a deductible clause, because such deductibles are not in the best interests of the public, when the average Ontario accident the private insurer pays the full \$200 of liability to others, whereas in Saskatchewan they pay nothing.

To offset the obvious disadvantage of such coverage Saskatchewan offers those who wish it, a package policy which rounds out the coverage and brings it into line with that offered by private companies.

Now on the surface, the combined Saskatchewan coverage still costs considerably less than in Ontario. The reason lies in the different accident rate. The different accident costs of the two provinces, Saskatchewan with its predominance of straight travel and little travelled roads has an accident rate of 7.6 per 100 vehicles. Ontario has an accident rate

of 11.6 and it is interesting to note that Saskatchewan has always had the lowest percentage of accident in Canada due to geographical and population factors.

A little research will show that with many older model cars in Saskatchewan and therefore less cost to repairs the average cost per accident is \$131, where in Ontario the average cost, as I mentioned before, is about \$200. In doing a little simple arithmetic we find for every 100 cars insured in Saskatchewan it costs 7.6 times \$131, or \$995.60 to pay accident claims for every 100 cars insured. In Ontario it costs 11.6 times \$200 or \$2,320 to pay accident claims almost 2 and one half times as much per car. No matter who sells the insurance, the charge in Ontario should be 2.5 times as much as Saskatchewan. However, the present Ontario rates are less in most cases, substantially less than 2.5 times the Saskatchewan rate.

In other words Ontario rates right now are considerably less for most drivers than they would be in Saskatchewan under the Saskatchewan insurance system were it in effect in Ontario. There are many examples which can be given, however, the point I am trying to make, Mr. Speaker, is that although there is a great deal of interest in the compulsory insurance plan there might not be the same enthusiasm if the people knew the whole story.

I would suggest before compulsory insurance be given too much consideration that the public should be acquainted with all of the advantages and the disadvantages of compulsory insurance. And I believe it should be told that there is no financial protection against the hit and run drivers, the case of non-resident drivers or against vehicles operated without the owners consent, nor is there any protection of an uninsured vehicle such as farm wagons and tractors.

However, there may be some advantages to a compulsory insurance plan. It does provide the victim of a motor car accident with some measure of reasonable amounts of financial compensation but certainly not as the figures have been laid down in the state of New York. I think the public will have to weigh the advantages and the disadvantages of the plan, and I believe careful consideration should be given to see that all of the facts, both good and bad, are made available to the public so that they are in a position to assess the value of this particular type of insurance plan.

I would say this though, with all the discussion we have heard about it to date,

anything that they have to offer from my own personal observations in New York and in Massachusetts has no advantages over the unsatisfied judgment fund as we are operating today, but I think the people should be given all of these facts, it is important to them. I think it is a very important step that this government will have to take some day, but let the people decide after they know the whole story.

While the hon. Minister of Highways (Mr. Allan) is in his seat, there is one other matter I would like to speak about. It is the story of the Dorchester curve where we spent considerable money on the new type of guard rail. It was one that I introduced and I was particularly interested in during the safety committee. I find there are some startling figures since it was introduced at the Dorchester Curve.

In 3 years prior to the installation of that particular type of guard rail, there were 40 people injured and there were four fatalities. In the two years after it was introduced I might say that during that time there was some \$28,000 worth of property damage and for the two years after that there were only 3 people injured and we have not had a fatality.

I think the money invested in that particular curve and that particular type of guard rail was well spent and I would like to see it carried out in many other parts of the province where we have had fatalities.

There is just one other matter I would like to bring to the attention of the House, one that Hamilton firefighters' association is quite concerned with, the question of the 42-hour week. For a great number of years the firefighters in the Province of Ontario were working a 72-hour week, while most workers in the province were enjoying 48 hours and more recently under provincial legislation the firefighters have been working a 56-hour week, while the majority of the other workers in the province have been working 40 hours per week or less.

The members of local 288 of the IAFF of the municipality of Hamilton are of the unanimous opinion that the firefighters of this great province of Ontario should not have to work longer hours than other workers, especially in this hazardous occupation where the firefighter is the victim of occupational disease peculiar to his profession.

I would say this is something that I know many of the other members must have a concern with. I know it is too late to do any-

thing in this session, but I would suggest this is one of the things that should be on the top of our agenda for the coming session.

Mr. A. Wren (Kenora): Mr. Speaker, in rising to present my remarks on the budget debate, I want to say this that the hour is getting late. It is now 9.30 in the evening, and as most of the hon. members of this House have been carrying on their various duties and occupations about the legislative buildings since about 8.30 this morning, I do not think it would become me to take too much of your time.

I say that, because I feel the public in Ontario should realize, and I think the public in Canada generally should realize, that something should be done, and something must be done about the duties and responsibilities of members of the Legislature and of course members of the House of Commons, about the time we have to spend on these things.

I do not think that there are too many people in Ontario who realize just how much time is spent by men in public life in both public bodies in the conduct of public affairs. I was quite noticeably taken the other day with the action which was taken in the Legislature in the province of Quebec where the indemnities were increased in indemnity and tax reallowance to \$7,000 a year, and with that a pension scheme for members who had served ten sessions or more.

I speak about this particular subject because so many people say to me, as I think they say to a good many other hon. members of this House, that you chaps should not be too badly off now, because you are getting \$10,000 a year and a pension, and I do not know just how they confuse the members of the Legislature with the members of the House of Commons.

But when I say that, I want to say this, also, that I think that the members of the House of Commons are very grossly underpaid, and I think it significant in this federal election campaign that so many men on both sides of the House who have declined to accept nominations for public office in the ensuing Parliament which will take place, have declined to accept public office because they could not afford to carry on the responsibility of being a member for the indemnities paid to members of the House of Commons.

I think that the time has come when the public has to realize that something has to be done about indemnities and compensations in one form or another for members of both

the House of Commons and the provincial Legislature.

I wonder how many people in the province of Ontario realize that the members of the Ontario Legislature, who after all have the conduct of the affairs of some 5.5 millions of people are paid the magnificent sum of \$300 a month. I wonder how many of the public realize this, because as I say, and I repeat so many people come up to you and say: "You should be doing all right, because you are an MP and you are getting \$10,000 per year."

Just to put it all in the record and to again inform the public what we are being paid we are paid as you all know \$3,600 a year, plus \$1,800 in tax-free allowances. As a matter of fact, I sent a note over to the hon. Prime Minister the other morning when he came into this House during the morning session in exceptionally good humour, and I said to him in my note: "Inasmuch as you are in such good humour this morning, this might be an excellent time to introduce an amendment to The Legislative Assembly Act to increase the indemnities."

He smiled and looked back, but inasmuch as it is impossible for members of the Opposition to introduce money measures, there is nothing much I can do about that than to present that kind of suggestion.

Well I think, you know actually, I think . . .

Hon. Mr. Dunbar: Give us some figures, how much would he suggest?

Mr. Wren: Well I think we are just as good as Quebec. Just as good as Quebec, and I think if Quebec can increase their indemnities to the equivalent of \$7,000 a year and provide a pension plan of \$175 per month after 10 sessions, we can go just a little bit better, because we are not just as good as Quebec we are a better province in this banner province of ours.

Mr. Thomas: The hon. Prime Minister is the only one who applauded.

Mr. Wren: Well of course the hon. Prime Minister is in a very difficult position, he is not only the government leader in the House, he is also at the present moment the Provincial Treasurer. Now, if he would vacate the office of the Provincial Treasurer, which I understand he is going to do in the not too distant future, perhaps his newly appointed provincial treasurer can sneak in with a presentation as to what he feels might be a reasonable indemnity for hon. members of the House and

for hon. members of the cabinet, and I think perhaps the hon. Prime Minister would look upon the new Treasurer's recommendation with some favourable consideration.

Mr. Jolley: I like that.

Mr. Wren: I am not too afraid to discuss these things, because after all this is what is going to happen if something is not done about indemnities, not only in the Legislature across the country, but in the House of Commons as well, we are going to reach a situation where only men or women who have independent means are going to be able to represent their constituents in the House of Commons or in the Legislature.

And while I have no particular quarrel with people who have means, unfortunately I have not, while I have no particular quarrel with people who have means, I think it would be indeed an unfortunate situation for only those people who were blessed with wealthy circumstances or wealthy patrons who could represent the people of Canada in the House of Commons or in the Legislature.

I think the time has come when a realistic look should be taken at this particular question.

Mr. Speaker, the other day I had something to say about natural resources taxation. I did not say a great deal about it because I intended when I spoke on the budget debate to say something more about it.

I want to say this evening that what the north needs, what northern Ontario needs, more than anything else, and when the north needs it, the north will produce, and as a result the benefits will flow back into the southern part of the province.

But what the north still needs more than anything else is developmental investment and developmental taxation, and I do want to say this with all the sincerity at my command, I do want to see the removal of discriminatory taxation on the natural resources industries of northern Ontario.

I do not think it is good business and I do not believe that it is going to produce any better result by the imposition, which is the equivalent actually of an additional 4.5 per cent. in taxation, particularly on the forest industries, for reasons which are indeed obscure.

And what I said the other day I want to emphasize and re-emphasize, and that is this, that I think we should develop, starting with the natural resources industries in the northern part of the province, and then spreading into industry generally all over Ontario, a reduction

in corporation tax, taking it down from our present level of 48 per cent. progressively over 5 or 10 years, down perhaps to 40 or even to 35 per cent., provided that reduction in taxation is channelled into capital development, plan development and job creation.

I cannot help but think, and in the depression days when I was a youngster, a very young youngster too, I had to lie about my age to even get a job, but I can recall the days in the 1930's when the best job you could get was at 20 cents a day, and I am not talking about the responsibilities which may have laid at the door of any particular political party.

What I am emphasizing is this, where we failed in those days was in the simple matter of lack of job creation and that is where we are heading today unless we do something positive about it.

Now I was rather interested this afternoon to hear some of the discussions concerning employment and the number of jobs which were being created, or which were being set up by one scheme or another. And the proposals and the counter-proposals that had to do with it.

One thing which emerged in the whole discussion of this afternoon was that nothing positive was brought out from one side or the other and as a matter of fact, if the debate had continued until 6 o'clock instead of having gone on to some other subject before that, I think the government would have convinced us before the afternoon ended that there was not any unemployment at all, but actually there was a shortage of labour and we would have to reinstitute an air lift to Europe to bring people in here to go to work, but such is not the case.

And I am not being pessimistic because I submit, **Mr. Speaker,** that any Canadian, any red-blooded Canadian in this country today who is pessimistic about the future of this country is simply not a good Canadian.

And I want to say this further, that in this great nation which lays to the south of us, which some people, and some political areas have chosen to decry in recent days, they have reached a population of some 170 million people, and as a result of their population at the present time, it is only natural that the rate of growth in population in that country to the south of us is going to become even more and more rapid.

Now we cannot ignore that situation, we cannot ignore that market, we cannot ignore those people. There to the south of us lies the greatest market potential this country has

ever seen and in addition to that, in the very growth of the nation known to us as the United States of America, is the simple fact that their own natural resources, while they are not depleted by any stretch of the imagination, they can see in the foreseeable future, the time when they are going to have to develop outside sources of supply for basic materials.

We have them. They are all here in Canada, and I think that Premier Duplessis, as much as I disagree with some of his fundamental thinking, summed it up and as quickly and as properly as any man I have ever heard when he said in an address before a meeting in Montreal about six weeks ago that Europe was, the United States is, and Canada will be. I think that was summed up by that man in as short, in as terse a statement as we would ever want to hear.

Now, that brings us to another—or that brings me at least, because I am not going to involve the rest of the hon. members of this House, in what I have to say, not only the government because while I might be unpopular with the government benches at times, there are times when I get unpopular with hon. members in the Opposition benches, too.

So I do not want to involve anyone in this, but I want to say that brings me down to one particular point of interest that I think people should become aware of, particularly in this banner industrial province of Ontario.

And that is this, that we all fear a major attack from across the waters, or across the poles, as it were, and one of the major fears that beset our military intelligence, when I say "our military intelligence" I am including the entire free world—one of the major fears that beset them is the fact that in our way of thinking, and in our philosophy of life, we cannot attack, it is not within us, and it is not within our conscience to mount an attack upon another nation or upon another area in the world.

But we believe that it is not beneath the conscience of some other people to mount an attack upon us, but in saying that one of the things which worry our own military planners and military men who have to plan and decide upon defence of this continent, one of the things that worry them is the fact that they are not too sure where they might attack in retaliation the industrial heart of the Union of Soviet Socialist Republics.

Now what are we doing? What are we doing right in this major industrial province

of Ontario? We are concentrating our industry right into a pocket which will make it possible for any antagonist to knock us out of business in a matter of minutes.

And I have had some experience with the control of attacking aircraft, and I can say without regard to intercontinental ballistic missiles and all the rest of it, I can say that even under the present methods of warfare, present methods of aerial warfare, that there is nothing we could possibly do to prevent at least 40 per cent. of the invading enemy aircraft from dropping their bombs in our territory.

So what are we doing? We are concentrating everything we have right in this particular area, and I say to you in addition that all the problems you have with underpasses and overpasses and highways and access entries and access outlets and so on, they are just building us up to a situation, to a point of actual national disaster if we do not do something about it.

We worry about the condition of our railroads, we worry about the economics of our trucking industry, we worry about the economics of our transportation industry generally.

Now we have developed, in the face of climatic conditions and other conditions across the country, a very fine railroad system, we have developed in this province and elsewhere in Canada a very fine highway system.

But instead of using those transportation facilities to develop industry across the province or across the nation, from one point to the other, interconnecting as they could, subsidized if necessary. What would be cheaper than subsidizing for example, the transportation from a factory 200 miles north of Toronto to the comparative example of the total extermination of that factory and the community around it if it were contained in this particular area?

What I am trying to say to this House, Mr. Speaker, is this, that decentralization of industry is not only a necessary economic factor, it is not only necessary to the economic growth of the entire rural section of the province of Ontario, it is necessary to our very military safety.

And I think the time has come when we have to take a very close look and take some positive action in this particular field.

The other day I was quite disturbed to read with some skepticism at first, but afterwards with some knowledge from reports which followed, that it was a fact, that the

Ford Motor Company in the United States had prohibited the sale of 1,000 automobiles through a Canadian agency to the Chinese republic.

Now on the face of it this does not seem to be a very important situation, but in the face of the serious economic conditions prevalent in the automobile industry in Canada today I think it is indeed something we have to do something about. Because the automotive industry while we call it Canadian, is located in the main, within the province of Ontario. It is our problem within the province of Ontario.

And I submit to you, Mr. Speaker, and the hon. members of this House, that the time has arrived for Ontario to take decisive action. The Canadian auto industry is located in Ontario.

Therefore I submit that this Legislature should not be prorogued this week, but should be adjourned if necessary for an Easter recess of perhaps two weeks or so, and return again to pass legislation divorcing control of sales of products from this province from the control of any interest other than Canadian.

I hope the hon. member for Niagara Falls (Mr. Jolley) does like it, because I think the time has come when we have to take a stand on domination of Ontario industry in particular, and Canadian industry in general, by people in control of that industry in another nation.

Now some people have something to say — perhaps derogatory remarks about my contacts with labour, and I am proud and happy to say that within reason, within logic, within sense of reason, I am a labour supporter, and am not one of those who say that labour is without sin. They are not.

But we have heard a great deal in recent years about the so-called domination of Canadian trade unionism by the head offices of those unions in the United States and much has been said about it in this country. And some of it, Mr. Speaker, I will agree, is worthy of some consideration, but here we have a situation where a foreign government in a foreign head office industry or foreign control in the head office of that industry, dictate whether or not our own Ontario factories shall, or shall not, sell their products to this person or that.

Now I want to talk about another subject which sometimes you can get full of, I agree. I want to talk just for a few minutes again tonight about the sale of liquor in Ontario.

I want to say that it cannot be disputed that Ontario has become the largest individual booze merchant in the free world. The profits from the sale of liquor this year, in the province of Ontario alone, will exceed \$60 million and it measures to continue and increase those sales and continue unabated.

It seems to me that anything the great brewers men can do to increase these sales and bring towards them a benevolent attention is immediately condoned.

Now I want to say that the glass of beer which our working people enjoy in the beer parlours in the province, is one of those things which is designed simply to increase the consumption of the beer product across the province.

I was quite amazed; if I had not been personally present during the New Year's holiday, I would not have believed it, but I happened to be in a particular tavern in bush clothes, and the bar tender in this particular tavern had the radio on. We were listening to a sports broadcast, news and a little bit of music and in walked an inspector, a hotel inspector for the area. He said: "Shut that radio off, shut it off, we do not allow that in this province. Who authorized you to have a radio here in the first place?"

Well the bartender said: "I just work here, I am not the boss."

The inspector said: "Where is the boss, go and get him."

So he brought the boss down and he told the boss: "Get that radio out of here or we will close you up. I will take that licence off the wall and put it in my pocket and you will be shut up."

Now here we were up in a northern community with nothing more harmless to do than listen to a radio and in walked a liquor board inspector and said to them in effect, and figuratively if not literally, grabs them by the ears and says: "Get your nose down in that beer and guzzle it. That is what you are here for, to guzzle beer, you are here for no other purpose. You are not here to consort with your other fellow men, you are not here to be entertained in some reasonable way, you are here to guzzle beer, now get your nose into the brew and guzzle."

Now that is the policy for some strange reason of the administration of the liquor control board of Ontario and this afternoon my hon. friend from Essex North (Mr. Reaume) brought up a matter in connection with Bill No. 161, in regards to amendments to the Liquor Control Act.

Now, while I was not present in the House, I could hear what was going on in complete detail, and I was quite surprised to hear the hon. Provincial Secretary (Mr. Dunbar) say that it was not feasible to extend the benefits of the privilege of keeping liquor in mine bunk houses and bush bunk houses and so on.

Now I can recall, as well as the hon. Provincial Secretary can, the days when we had the old muzzle loader bunks and the old log shacks and so on in the mining camps and the lumber camps, and the straw ticks and the salt pork and beans and the rest of it.

But those days have gone forever. They are out the window except in very very rare instances but we do have instances in the mining camps and in the lumber camps where men have their own privates rooms, and their own locks on the doors.

Hon. Mr. Dunbar: They can have liquor. Now just a moment, do not go and say that, they can have liquor if there is a lock on the door.

Mr. Wren: Just a moment, just wait till I finish. They have their own rooms and they have locks on the doors and the mine management says: "You dare not bring liquor into this property, you dare not bring liquor into your premises," and it is supported by the Ontario Provincial police, and I can show my hon. friend, and I would be glad to—in fact I will be delighted to sit down in his office and show him records of convictions of men who have taken liquor into their own rooms in quarters in the mines, in the bushes, quarters for which they were paying from \$90 to \$105 for the privilege of having their room and board, and were convicted of illegal possession of liquor in a place other than their own residence.

Now I say in all fairness, are these men animals? They are just as good, as I said to my hon. friend from High Park (Mr. Cowling) last year, there are far more Indians running around the hallways of the Royal York Hotel than there are up north.

Mr. Grossman: They do not drink in High Park. They are dry.

Mr. Wren: They do not? Well that is fine. They must have some blind staggers around here.

But why on earth should these men be treated in that particular manner. That is something that I cannot understand and I

will be glad to sit down and discuss it with the hon. Provincial Secretary.

I am not here with any intentions of embarrassing him because he is a man whom I honour and respect very much indeed.

But what I am suggesting to him is this that you cannot make fish of one and flesh of the other. Let us have all men walk across this province in equal stature.

Let us not say: "Just because you work in the mine, just because you go underground and risk your life by mining ore from underground or just because you can go out and make as much as some lawyers in Toronto can make chopping down trees that you cannot legally be entitled to have in your possession spirits or liquor."

Now I do suggest that this is something that must be taken into serious consideration. The next thing about this booze business that still goes on, you walk into a community or go into a community with a first class restaurant with an investment of \$100,000, \$150,000 or \$200,000 and a visitor comes in and says: "Can I possibly purchase a bottle of beer?"

"I am sorry, sir, that you cannot do, but you can go down to that place down there about half a block, you can go down there, if you can stand the smell, and drink all the beer you like, but you cannot have any food down there with it; you cannot have a meal with it. You can just go in there and have a bit of a snack, but you can go in there and guzzle beer, that is the purpose of that place, the purpose of our place is to have food."

Now I think that all of these, all of the people who have anything to do with this subject will tell, from the information I get, and that is subject to correction, that everyone I know of who has anything to say about the use and control of liquor say that the finest thing that can happen to people who drink, or who want to drink, is to have it with food.

Yet, our first-class restaurants in this province are denied the right to sell it and second class hotels—and I say that advisedly—many second class hotels can sell all they want, as long as you go in and do not utter a sound and do not raise your voice in song, and do not turn on a radio, and do not order two glasses of beer at one time—just keep that waiter running back and forth and you can drink all you like.

Hon. Mr. Dunbar: Does he mean that there is not a restaurant in Ontario selling booze?

Mr. Wren: I did not say that there was no restaurant, I say there are restaurants in Ontario, first class, high class restaurants catering to superior clientele, if you will, who cannot get the privilege and the right to sell even beer, let alone all the other beverages.

Mr. Grossman: What is a superior clientele?

Mr. Wren: People who know how to take a drink and handle it well. They are superior clientele.

Now another subject which seems to be rather touchy around this House, that I want to mention again, and as a matter of fact it was mentioned in the afternoon newspapers in the city of Toronto, that something like \$7.75 million had gone into the Irish sweepstakes again, and I just wonder why we do not do something about it.

The millions of dollars which annually pour across our borders in support of sweepstakes is indeed appalling, especially in the light of knowledge that the distribution of much of that money is questionable indeed.

But right here in the province, and not only in the province of Ontario but in many other provinces of Canada, we are not guilty alone in this thing; more millions are milked from our people through the windows of the race track where the bettor is licked before he starts.

Now we want to tie in our race tracks just a little bit now with our booze.

Up where I live, if the local legion puts on a bingo where the old sweats from the first war and the second war get in and play a little bingo and cards, and the steward in the legion dares serve a bottle of beer along with that 10 cent bingo card, the wrath of the gods descend upon him—the liquor board.

But if you want to go out here to Woodbine race track they are not satisfied with clipping you, and you know that you are going to get clipped before you ever get there. Before you ever get to the betting window, in addition to that, now they are provided with the privilege of selling booze out there to keep you in a better mood, and instead of making a \$2 bet you will make it \$5.

Now what is wrong, Mr. Speaker, and I suggest to you, what is wrong with the little ordinary common people of the province of Ontario being enabled legally to spend a buck or two, once or twice a year on a sweepstake? Buy a sweepstake ticket, let the Ontario government sponsor a sweepstake, or if they cannot sponsor it at least supervise it, so that the buck or two they gamble once or twice

a year, instead of going and gamble two or three weeks' pay cheques at Woodbine, let them gamble one or two bucks a year in a supervised sweepstake operation, and use the proceeds of the sweepstake to good purpose within this province.

If this government wants a good purpose where it could be applied, I suggest to them right off the bat that I can think of hundreds of people in the north country who, through financial circumstances, cannot purchase drugs which are prescribed to them for chronic illnesses.

Not only that, there are many other fields of endeavour where the proceeds of a government supervised sweepstake could have very marked effects.

Now there is another subject which is equally touchy, and about which I have been subjected to some criticism and I do not know why. It may have been one of the reasons why I have not wanted to go home, but it could or could not be, but the other day I was criticized by a publication known as the *Sentinel* in the city of Toronto because I had said, according to this publication, that I was opposed to the Orange Lodge, and that I was an enemy of the public school system in Ontario, that was the effect of the criticism.

Now, in the first place, I have never ever, and I do not now say anything in criticism of the Orange Lodge. But what I did say, and what I still do say, is that something has to be done and something must be done about the separate school situation in Ontario. And when I talk about the separate schools, Mr. Speaker, I am not talking just about Roman Catholic separate schools, there are Jewish separate schools and there are Anglican separate schools in this province, and any religious group, regardless of its structure, has the right under the law to form a separate school organization if they so choose.

Now what I do want to say about this particular subject is this—and for once in my life I am going to read my remarks for fear that they may become misconstrued.—What I want to say about this subject is this; that where any group of people under the law, and within their constitutional rights, seek to establish a separate school, that school should enjoy the conditions which will provide to them equal opportunities in the field of elementary education.

It should also be possible to provide for teaching staffs the same range of financial opportunities as is enjoyed in any like field of professional teaching.

For example, according to the report of the hon. Minister of Education (Mr. Dunlop)

for the year 1957, 218 teachers in our public schools received a salary over \$8,250 per annum. In the separate schools of the province none reached that figure.

Some 4,705 public school teachers received salaries of more than \$5,450 while only 3 teachers in our separate schools attained that bracket of income; 697 separate school teachers or 10.6 per cent. of all the separate school teachers were paid more than \$3,050 per annum as of September 1957, while 18,942 or 69.6 per cent. of the public school teachers exceeded that figure.

It is a tragic picture, I submit, that men and women teaching in our separate schools must work at night in hot dog stands and in gas stations to earn enough money to keep their families together, while carrying on their regular occupation as principals and senior teachers in separate schools.

The government, I will admit, has made advances to help this situation, but much remains to be done. Deals have been made by this government with the princes of one church to advance the field of higher education and a lot about that principle is good.

But a further deal needs to be made for the rank and file separate school child who will never reach university level. Educational authorities in the province of Quebec are making serious raids on Ontario's teaching staff, and it was only a matter of two or three weeks ago when the Bishop of London issued a statement to the press expressing his concern with the raids that the Quebec people were making on separate school teaching staffs in Ontario.

Now in the province of Quebec the separate school (which there is a Protestant school as we know it) gets a square deal. Let us have a square deal here.

It is not for me to say that the separate schools are right or wrong, as I said that last year and I repeat it, but they are here to stay and the pupils in those separate schools are Canadians. Let us treat them as Canadians while nothing must be done to do anything but improve the public school system.

I am very proud of the public school system, and will do everything that I can to advance the interest of the public school curriculum and facilities. Meanwhile, we cannot afford to neglect the education of any Canadian child regardless of race, colour or creed.

It is the duty of this administration and any administration which succeeds it, to

provide equality of opportunity for all Canadian children at the elementary school level.

Now the other day I had something to say, too, about this railway issue in Canada, something which is culminated and has brought about a condition which is going to backfire on the principal railway company in Canada.

But I want to say this Mr. Speaker, without the risk of repeating anything that I have said before about this particular subject, that one of the prime issues at the moment in this railway issue is this; and one which I cannot quite understand:

The report of the Kellogg Royal commission, on the diesel firemen dispute was in the hands of the government at Ottawa long before Parliament was dissolved, and for some reason unknown—and I am wide open to discussions and explanations on this subject—that for some reason unknown to me and unknown to anyone else, that report was suppressed until such time that Parliament was dissolved and then it was handed to the railway company as a very potent weapon indeed to seek the death and the destruction of the railway labour movement in Canada.

Now I expect that before next Monday rolls around the Rt. Hon. Prime Minister of Canada (Mr. Diefenbaker) will make some statement in explanation of what appears on the surface to be a very dastardly action indeed and I expect he will, because he has a rather long period of interested participation in railroad labour affairs right across the Dominion of Canada.

But for some unknown reason, and I think that perhaps due to the very definite inexperience of the man who happened to be his hon. Minister of Labour (Mr. Starr) he was not properly advised on this subject.

Now in conclusion Mr. Speaker, I just want to make one further comment, and I hope that the chair will not rule me out of order when I discuss this particular subject as it has to do with the Royal family, and it has nothing to do with, I would say, about the Royal family which would not be very gracious and generous and something about which I am very proud.

But I want to say this, Mr. Speaker, that next year as I understand it, we will be graced with yet another visit from Her Most Gracious Majesty, Queen Elizabeth II. I think that all Canadians were very pleased indeed with her visit last year, and with the tender interest Her Majesty displayed to the ordinary people of Canada.

I know that I was particularly impressed with her TV address to the Canadian nation, which to me was very homely and very particularly directed to people of the common walks of life in this country. I was also very impressed with her tender solicitude toward the disabled war veterans, particularly when she greeted them before the National War Memorial in Ottawa.

Now I do not know if I am out of place in making this suggestion, but I make it in the knowledge of the affection with which Her Majesty is held across the breadth of the Commonwealth and certainly across the entire world.

I know that I, along with all the hon. members of this House, regard our Sovereign as the Queen of Canada, and certainly she is so regarded particularly by other Commonwealth countries. Her great qualities were evident when she opened the last session of the House of Commons.

To that end I want to suggest that, on the occasion of the visit of her Majesty to Ontario next year, that a humble address be presented to Her Majesty, that she consider, and have her senior Ministers consider, the appointment of a Governor-General for the United Kingdom so that she might spend more time in residence across the Commonwealth.

I personally can feel envious that the people of the United Kingdom should demand so much of her time, so much of the time of a great Sovereign who is also ours, and I would hope that someone in high places in the government in Canada, perhaps initiated through this Legislature, might suggest that Her Majesty might consider recommending the appointment of a Governor-General for the United Kingdom, so that she might spend more time with us in a land and in a nation which is so proud of her and which is hers and ours jointly.

Mr. R. McNeill (Elgin): Mr. Speaker, I would move the adjournment of this debate.

Motion agreed to.

The House resolved into the committee of the whole.

THE HIGHWAY TRAFFIC ACT

House in committee on Bill No. 128, An Act to amend The Highway Traffic Act.

Sections 1 to 30, inclusive, agreed to.

Bill No. 128 reported.

THE MUNICIPAL ACT

House in committee on Bill No. 130, An Act to amend The Municipal Act.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, has there been a change in The Municipal Act in reference to the election of a deputy reeve? Last year it was changed, I understand, to allow for more deputy reeves, and this year there seems to be a change back to the original position. Who is in a position to say whether they have or what the change has been?

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I think the section referred to this, last year there was a change which resulted in more deputy reeves. As a matter of fact, that sounded very well, but in some places there was not enough courtroom space to accommodate them. I think Barrie was one place.

The result was this change to avoid that. I think perhaps the feeling is just to hold the determination of that provision until it is seen how the thing is going to work out.

Mr. Oliver: That is a pretty lame excuse, that they do not have room to house the extra deputy reeves.

Hon. Mr. Frost: The same problem comes up with voting at 21, that is why there is an exclusion in the Act there. Some of those things really should not affect the number of reeves or deputy reeves a municipality has, I think my hon. friend will agree with that.

Mr. Oliver: Well, do we revert in this instance to the old basis of electing a deputy reeve?

All I want to know is if this amendment restores us to the original position so far as the election of a deputy reeve is concerned?

Hon. Mr. Frost: Section 4 puts it back to where it was.

Mr. Oliver: To where it was last year?

Hon. Mr. Frost: That is right.

Section 5 agreed to.

On section 6:

Hon. Mr. Frost: Might I point out to the hon. leader of the Opposition that the problem—I am going back to that section—further explanation was this, that it was found that it increased the number of deputy reeves in certain municipalities, and as a

matter of fact created disparities and difficulties in connection with certain other municipalities by throwing the thing out of balance.

That was not anticipated when the amendment was made a year ago, to become effective I think on the 1st of January, 1959, but it was found that it threw it out so much, and threw the various balances out too much.

Then there was the question of a gain in the county of Simcoe—I think that particular county was mentioned—that it added so many additional members to county council that they would have to have different accommodation to take care of them.

But quite aside from that I think the important thing was this, that you very materially altered the balance between urban and rural which now is reasonably satisfactory. But you altered that balance, and the only way to do would be some expedient to restore the balance by adding to urban representation. Now it was felt in view of all that it was far better to revert to the way it was before.

Sections 6 and 7 agreed to.

Hon. Mr. Frost: A number of municipalities, including rural municipalities, have asked that it be returned to the old basis?

Mr. Oliver: Did some organization ask that it be returned to the former?

Hon. G. H. Dunbar (Provincial Secretary): The municipalities have asked for it in the first place, asked the hon. Minister of Municipal Affairs (Mr. Warrender) if they would change it back.

Mr. Oliver: I never heard that before. What association asked for its return?

Hon. Mr. Dunbar: Not an association, it was the municipalities which requested it.

Mr. Oliver: Rural municipalities?

Hon. Mr. Dunbar: Yes, rural municipalities, that would affect the deputy reeves.

Mr. Oliver: Well, I do not know about that, but we will let it go.

Sections 8 to 21, inclusive, agreed to.

On section 22:

Mr. Oliver: On section 22, the explanatory note says the amendment provides for raising the amount of any deficit on the sale of debentures by a levy over a period of years

not exceeding 5, as may be approved by the municipal board.

I would like to ask somebody over there a general question. For instance, we will be discussing it in the next day or so, how many successive deficits can any particular municipality have without being noticed by the municipal board.

Now I do not know whether I have made that question plain or not, but it seems to me that the municipal board has over-all supervision of the municipalities of the province, and it would seem to me one or two years, in which there was an over-all deficit, would cause that municipality to come to the attention of the municipal board, and they would exercise then the mandatory or the supervisory powers that they have over that municipality.

Now there have been instances, as the hon. Prime Minister knows, where this has gone on for a number of years. It seems to me if the municipal board is to exercise the functions with which it is clothed, then it should come not to the assistance, shall we say, of that municipality, but certainly it should at that time attempt to supervise the financial affairs of the municipality.

Hon. Mr. Frost: Well, of course, the hon. leader of the Opposition will recognize that his question is not really directed to this particular section, this has to do with the deficit. I suppose in the sale of debentures, not realizing what they should realize, and then that the deficit is treated in this way.

The question he has directed is, if a municipality is in trouble when does that come to the attention of the municipal board?

I would say to him that as a matter of fact—and he is experienced in things municipal enough to know this—that it might not come to the attention of the department for many years, actually that is so. He must remember that a municipality is an autonomous organization, and it is conducting its business according to ordinary belief, according to the statutes, and The Department of Municipal Affairs does not step into an office or check the books and take the responsibility for what happens.

I think the hon. leader will agree with that.

Now there is a section being added this year to The Municipal Act, giving The Department of Municipal Affairs the power to go into a municipality and to advise and check. It does not carry with it the power to do anything on that particular check,

although as we know there is a general power in The Municipal Act to put a municipality under supervision.

That section has been created under the direction of Mr. Carter, who most of the hon. members here know quite well.

The matter arose this way: It was quite obvious that municipalities—take for instance the township of Cardiff which was mentioned here—a little bush township that is finally put in the big league because of the development of uranium. Or take the adjoining township of Farraday, or the village of Bancroft, and the township of Monmouth, adjoining that.

Those areas are thrown into things which they never thought of, and never had any experience with, and they might get into serious difficulties. That was the genesis of giving, under that Act, the power of the department to go in and examine and to advise.

Now it does not give any powers directly for them to do things, but nevertheless the fact that they have that ability to go in and look at things, I think, is dealing with the problem along the lines the hon. leader of the Opposition has suggested, without imposing arbitrary conditions which takes away the autonomy of the municipality.

Section 22 agreed to.

On section 23:

Mr. Whicher: Mr. Chairman, may I ask the hon. Prime Minister, in section 23, the amendment there is to limit the current borrowing at any time to 70 per cent. of the uncollected balance of the estimated revenues. Now if there is no check from the municipal board, how do they make the municipality obey that?

Hon. Mr. Frost: Well, how does one obey, for instance, a prohibition of exceeding 50 miles an hour? The law is there, and I would say that the municipalities are very careful in most cases to obey the law.

There are plenty of cases in the 1,000 municipalities over the last 25 years where they have gone astray. That is the subject of many a private bill which comes here, and many a protest which is made in this chamber.

Hon. Mr. Spooner: I think the important thing with respect to the hon. member's question, or the answer to his question is, that the person loaning the money—which is usually a bank—has to have a by-law drawn

up in a proper form, and certain evidence is required as to the municipality's financial position, and their budget and so on and so forth, and so they are the ones who should perhaps at times watch some of these things a little more closely than they have in the odd case.

Section 23 to 28 inclusive, agreed to.

On section 29:

Mr. Oliver: Mr. Chairman, on section 29, has it ever been suggested that the municipality has not the power to establish an operating street lighting system? I thought they always had that right and power. That is subsection 4.

Hon. Mr. Frost: I am advised by the law officers that it has never been spelled out in the Act after 165 years of existence, that is so.

Mr. Oliver: Well, it is about time we got around to regularizing it.

Sections 29 to 41, inclusive, agreed to.

Bill No. 130 reported.

THE REAL ESTATE AND BUSINESS BROKERS ACT

House in committee on Bill No. 134, An Act to amend The Real Estate and Business Brokers Act.

Sections 1 and 2 agreed to.

Bill No. 134 reported.

THE REGISTRY ACT

House in committee on Bill No. 134, An Act to amend The Registry Act.

Sections 1 to 6, inclusive, agreed to.

Bill No. 135 reported.

THE LAW STAMPS ACT

House in committee on Bill No. 137, An Act to repeal the Law Stamps Act.

Sessions 1 to 4 inclusive, agreed to.

Bill No. 137 reported.

THE SUCCESSION DUTY ACT

Bill No. 139, An Act to amend The Succession Duty Act.

Mr. Oliver: Could we perhaps leave this, Mr. Chairman, until my hon. friend from

North Waterloo (Mr. Wintermeyer) is back. I would like to leave that one if you would?

Bill No. 139 held.

THE LAKE OF THE WOODS CONTROL BOARD ACT, 1922

House in committee on Bill No. 141, An Act to Amend The Lake of the Woods Control Board Act, 1922.

Sections 1 to 3, inclusive, agreed to.

Mr. Oliver: May I ask is similar legislation being passed by the Manitoba Legislature?

Hon. Mr. Frost: Yes, I understand that their legislation would be parallel to this. My hon. friend, the vice-chairman of Hydro (Mr. Connell) could explain this in more detail.

Hon. R. Connell (Minister Without Portfolio): Mr. Chairman, this bill is of course complementary to Bill No. 144, too.

To give a fair explanation of it. If the people from northern Ontario know the Lake St. Joseph section and the Lac Seul section, Hydro has installed a canal up there by which they are taking some water from over the heights of land from the Lake St. Joseph, and they are taking this down into the English and Winnipeg rivers, and by that means are getting a great deal more power from it.

The Lake of the Woods control board have control over that water. This bill of course is bringing Manitoba into this picture, and then of course the other bill is authorizing the agreement whereby Manitoba accepts this water.

Hon. Mr. Frost: And we get back a certain portion of the power developed on their side of the line.

Mr. Oliver: Is that a joint operation?

Hon. Mr. Connell: We are getting back, I believe, some 160,000 kw hours of increased power from those dams in Manitoba, and we are getting that at a rate of 1.4 mills per kw hour. The estimated recovery power on our own dams at Ear Falls and Manitou Falls and Caribou Falls generating stations would net us about 175,000 kw hours per year.

I do not know if there is anything else that hon. member would like added to that or not, but I would say coming to subsection 4 there, that I move that section 4 of the bill be struck out, and the following substituted therefore—that section 4, subsection 9 of The Lake of the Woods Control Board Act, 1922,

be repealed and the following substituted therefor:

The expenses of the board, including the remuneration of the members or alternate members of the board, shall be paid out of such funds as may be appropriated by the Parliament of Canada, and the Legislatures of Ontario and Manitoba respectively, for paying expenses incurred for the purposes of this Act, in such proportions as His Excellency the Governor-General-in-Council, and the respective Honourable the Lieutenant Governors-in-Council may agree.

Mr. Oliver: May I ask my hon. friend, does this Act control waters in both the province of Ontario and the province of Manitoba?

I mean, if there is an Act, a complimentary Act passed by the Manitoba Legislature—

Hon. Mr. Connell: Actually, it is the agreement to control the amount of water flowing down from Lac Seul into Lake Winnipeg; that is the only water that they are actually interested in.

They can control that amount. The extra amount, that amounts to about 2,000 cubic feet per second, is the extra amount of water that is being taken from Lake St. Joseph.

But Manitoba is going to have a man on this Lake of the Woods control board. Under this new Act, they are having a man added to this control board.

Mr. Oliver: Well where is the power going to be developed, in Ontario?

Hon. Mr. Connell: There are 4 dams that are generating power. There are 3 now, and another one contemplated in Ontario. There are 3 dams in Manitoba that they will be developing power from, and from that power they develop is between 160,000 kw and 170,000 kw hours per annum.

We in turn get that back at a very reasonable rate of 1.4 mills per kw hour.

Hon. Mr. Frost: I want to bring to the hon. members the situation. The Lake of the Woods Control Act was passed in 1922. It is a boundary water of course, the Lake of the Woods is a boundary water, and my recollection that Shoal Lake drains into the Lake of the Woods, and the Lake of the Woods into the Winnipeg river, is not that the course of it?

Back in 1922, the Act provided a control board known as the Lake of the Woods control board, with control over the Lake

of the Woods watershed which included Shoal Lake.

At that time there were, I think, but 4 members of the board, two Ontario and two Canada.

Now the Province of Manitoba of course has a power problem, and as a matter of fact, so have we, in that area of the province, with the result that it was determined to take some of the water from the Albany river—that is, Lake St. Joseph—and run it by means of a cut into Shoal Lake, which of course increased the flowage of the water in the Winnipeg river as has been indicated here tonight.

In brief, what happens then is this. Manitoba becomes interested in it because we are putting 2,000 feet a second down their river more than is presently going down, and more than is the normal flow of that river. Therefore, representation on the board is being changed to 2 Ontario, 1 Canada and 1 Manitoba.

The increased power development which is made possible on the Winnipeg river is purchasable by Ontario at the cost of production which is, as my hon. friend says, a very low rate.

Mr. Oliver: Over how many years?

Hon. Mr. Frost: Well, it is over 5 I think perpetually. It is determinable by either party on 4 years' notice, it is in the Act here, determinable upon 4 years' notice.

Our position is just this. The water that would presently go down the Albany river is not really economical for us at the present time. If it ever did become economical, we of course could then terminate this agreement by giving 4 years' notice, and develop the power sites on the Albany river which presently are really of little value. I would remind the hon. members, as to the location, that the Albany river crosses about 15 or 20 miles below Pickle Lake.

Actually speaking, there is no use for power in that particular section. On the other hand, if it can be developed on the Winnipeg river, then it can be used in that portion of Ontario, we might say the Kenora-Lake of the Woods area.

That is about the situation.

Mr. Chairman: Section 4, as amended, stands as part of the bill carried.

Sections 5 to 7, inclusive, agreed to.

Bill No. 141 reported.

THE MANITOBA-ONTARIO LAKE ST. JOSEPH DIVERSION AGREEMENT AUTHORIZATION ACT, 1958

House in committee on Bill No. 144, The Manitoba-Ontario Lake St. Joseph Diversion Agreement Authorization Act, 1958.

Hon. Mr. Frost: Now I may say sir, that this is the agreement between Ontario and Manitoba. Generally speaking, this bill permits the government to enter into an agreement with the government of Manitoba.

In order that the fullest of information might be given, the agreement is, as it speaks, substantially in the form provided in schedule A, which is the agreement.

Now the Manitoba people have been over that, and it is conceivable there might be some changes in detail in that. I am not aware of anything at the present, but that is the purpose of saying that the agreement would be substantially in this form.

As a matter of fact, we would arrive at very much the same conclusion by giving the government, general powers to enter into an agreement with the government of Manitoba.

Hon. Mr. Connell: In the agreement part, I would move that paragraph 20 of the schedule be struck out and the following substituted:

This agreement shall take effect, upon the completion by the commission of the diversion works and notification thereof to the board, and shall continue in full force and effect unless and until terminated by Manitoba, by Ontario, by the board, or by the commission by at least 4 years' notice, given in writing and in registered mail addressed to the other party to the agreement.

This brings the draft agreement up to date and in line with the corresponding schedule in the bill now before the Legislature of Manitoba.

Schedule as amended, agreed to.

Sections 1 to 3, inclusive, agreed to.

Bill No. 144 reported.

THE CHARITABLE INSTITUTIONS ACT, 1956

House in committee on Bill No. 147, An Act to amend The Charitable Institutions Act, 1956.

Hon. L. P. Cecile (Minister of Public Welfare): I move that section 1 be amended by striking out the following words "other than an institution", fourth line, and by striking out the words "home for the aged" in the fifth line, and substituting, "children's institution" so that the sub-section shall read:

1. There shall be paid out of such monies as are appropriated therefore by the Legislature to every charitable organization operating a charitable institution, as specified in the regulations as a children's institution, an amount of \$8 per month for each person present in the institution, to be computed in accordance with the regulations.

I move further that the new subsection 2 be amended further by striking out the following words "as a home for the aged" in the fourth and fifth line and substituting the following words, "other than an institution that is specified in the regulations as a children's institution," so that the subsection shall read:

There shall be paid out of such monies as are appropriated therefore by the Legislature to every charitable organization operating a charitable institution, that is specified in the regulations other than an institution that is specified in the regulations as a children's institution, an amount equal to 75 per cent. of the amount paid by the charitable organization for the maintenance of each person a resident in the institution, be computed in accordance to the regulations.

To explain this, Mr. Chairman, the amendments are necessary by reason of the recent decision to have the \$8 monthly provincial subsidy apply only to children's institutions, and to have the 75 per cent. provincial subsidy applied to all other institutions.

Sections 1 to 4, inclusive, agreed to.

Bill No. 147 reported.

SERVICES OF HOMEMAKERS AND NURSES

House in committee on Bill No. 148, An Act to provide for the services of homemakers and nurses.

Sections 1 to 12, inclusive, agreed to.

Bill No. 148 reported.

THE PUBLIC COMMERCIAL VEHICLES ACT

House in committee on Bill No. 149, An Act to amend The Public Commercial Vehicles Act.

Sections 1 to 6, inclusive, agreed to.

Bill No. 149 reported.

THE PUBLIC VEHICLES ACT

House in committee on Bill No. 150, An Act to amend The Public Vehicles Act.

Sections 1 to 5, inclusive, agreed to.

Bill No. 150 reported.

THE ONTARIO HIGHWAY TRANSPORT BOARD ACT, 1955

House in committee on Bill No. 151, An Act to amend The Ontario Highway Transport Board Act, 1955.

Sections 1 to 3, inclusive, agreed to.

Bill No. 151 reported.

THE CONTROL OF AIR POLLUTION

House in committee on Bill No. 152, An Act to provide for the control of air pollution.

Hon. Mr. Phillips: Mr. Chairman, I would like to add to section 3, subsection 9, which reads as follows:

No by-law or provincial regulation or air pollution control shall apply to sulphur fumes arising from the operations designated in The Damage by Fumes Arbitration Act.

This is so that it will not conflict with The Fumes Arbitration Act.

Sections 1 to 11, inclusive, agreed to.

Bill No. 152 reported.

THE DAMAGE BY FUMES ARBITRATION ACT

House in committee on Bill No. 153, An Act to amend The Damage by Fumes Arbitration Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 153 reported.

THE DEPARTMENT OF EDUCATION ACT, 1954

House in committee on Bill No. 154, An Act to amend The Department of Education Act, 1954.

Sections 1 to 3, inclusive, agreed to.

Bill No. 154 reported.

THE FEMALE REFUGES ACT

House in committee on Bill No. 157, An Act to amend The Female Refugees Act.

Sections 1 to 5, inclusive, agreed to.

Bill No. 157 reported.

THE VITAL STATISTICS ACT

House in committee on Bill No. 159, An Act to amend The Vital Statistics Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 159 reported.

THE CORPORATIONS ACT, 1953

House in committee on Bill No. 162, An Act to amend The Corporations Act, 1953.

Sections 1 to 3, inclusive, agreed to.

Bill No. 162 reported.

THE EMBALMERS AND FUNERAL DIRECTORS ACT

House in committee on Bill No. 163, An Act to amend The Embalmers and Funeral Directors Act.

Sections 1 to 6, inclusive, agreed to.

Bill No. 163 reported.

THE FINANCIAL ADMINISTRATION ACT, 1954

House in committee on Bill No. 164, An Act to amend The Financial Administration Act, 1954.

Sections 1 to 4, inclusive, agreed to.

Bill No. 164 reported.

HOMES FOR THE AGED ACT, 1955

House in committee on Bill No. 166, An Act to amend The Homes for the Aged Act, 1955.

Sections 1 to 6, inclusive, agreed to.

Bill No. 166 reported.

Hon. Mr. Frost: Mr. Chairman, I am going to let the other two Acts, 47 and 48, stand over for the reason that tomorrow the hospital committee is meeting here, and if there are any questions that might be asked about those Acts, they would be cleared up by the meeting here tomorrow.

REHABILITATION SERVICES ACT, 1955

House in committee on Bill No. 171, An Act to amend The Rehabilitation Services Act, 1955.

Sections 1 to 2 agreed to.

Bill No. 171 reported.

CROWN ATTORNEYS ACT

House in committee on Bill No. 172, An Act to amend The Crown Attorneys Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 172 reported.

SUMMARY CONVICTIONS ACT

House in committee on Bill No. 173, An Act to amend The Summary Convictions Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 173 reported.

Hon. Mr. Frost: I move the committee rise and report certain bills with and certain bills without amendment.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: The committee of the whole House begs to report certain bills without amendment, certain bills with certain amendments, and begs leave to sit again.

Report agreed to.

Hon. Mr. Frost: Mr. Speaker, before calling the adjournment, may I say there is an item on the order paper, resolution No. 1. The hon. member for Kenora, (Mr. Wren) has spoken to me about that, and intimated that, in view of the fact that he was going to speak partly on the subject matter of this resolution, he did not want to proceed with the resolution and asked me to call for it and call for its discharge, that is item No. 1 on the notices of motions.

I might say I discussed this with the hon. leader of the Opposition.

Mr. Speaker: Notice of motion No. 1, standing in the name of the hon. member for Kenora (Mr. Wren), is as follows: *Resolved:*

THAT it is the opinion of this House, having regard to constitutional, legislative and human rights to establish and maintain elementary schools in Ontario, that discrimination exists in the field of financial burden of elementary school supporters in Ontario, and that therefore this House should now resolve for the removal of such discrimination by revision of the basis upon which the financing of elementary education is carried on to the end that opportunity, essential facilities and human rights in the field of elementary education shall henceforth apply with equal force to all the people of Ontario without regard to race, colour or creed.

The motion is withdrawn.

Hon. Mr. Frost: In moving the adjournment of the House, may I say that tomorrow we will have the remaining estimates of the hon. Provincial Secretary. We will proceed with that estimate, with the exception of one item in it, which is necessary to call, to meet with the formalities of the prorogation of the House. We will call that time tomorrow with remaining bills on the order paper, private members' bills and motion and budget debate. I would hope sir—well, I will leave that until tomorrow, in regards to the conclusion of the budget debate.

Mr. Oliver: Is there a health committee meeting in the morning too?

Hon. Mr. Phillips: At 9.30 a.m.

Hon. Mr. Frost: Mr. Speaker, I move the adjournment of House.

Motion agreed to.

The House adjourned at 11.15 of the clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Tuesday, March 25, 1958
Afternoon Session

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, MARCH 25, 1958

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. D. J. Rankin, from the standing committee on municipal law, presents the committee's third report and moves its adoption.

Your committee begs to report the following bill without amendment:

Bill No. 184, An Act to amend The Housing Development Act.

Your committee also begs to report the following bills with certain amendments.

Bill No. 160, An Act to provide for the extension of the municipal franchise.

Bill No. 180, An Act to amend The Municipality of Metropolitan Toronto Act, 1953.

Motion agreed to.

Mr. J. A. Maloney: Mr. Speaker, I beg leave to present the interim report of the select committee appointed on March 27, 1957, to examine into and report regarding the operation and administration of The Labour Relations Act in all of its aspects.

In connection with this interim report, I do not know that there is much that I can usefully say to the House at this particular time. The report has been prepared for distribution and circulation among the hon. members so they will have it available for each one of them to read.

In this interim report, we make no specific recommendations.

We are requesting that our life should be extended to enable us to continue the investigation immediately after this session is prorogued, so that we can hear submissions still to be presented, study legislation in force in some other jurisdictions, and that we then be permitted—after careful consideration of all matters brought to the attention of the committee—to make our report.

I might add that this interim report is signed by all of the 11 members of the

committee and is unanimously adopted by them. There are 3 or 4 appendices to the report. Appendices 2, 3 and 4 contain the list of the organizations which have presented briefs.

Appendix 5 is a list of the briefs which we expect to receive in the next two or three weeks, and they are summarized as follows: employee representatives, 30; employer representatives, 30; other groups and individuals, 18; number of briefs still to be heard, 15. Number of unfinished hearings, that is, people who have presented briefs and have expressed the desire to come back again, 8.

The committee sat for 35 days and I might add, Mr. Speaker, that each member of the committee attended to his duties very assiduously, performed his work very carefully and conscientiously, and we are entitled I think from this House, to be given credit for the fact that at least we have given this matter very careful consideration.

I must say, as the chairman of the committee, it has been a pleasure for me to sit in that capacity. I have learned much about labour and management problems that I did not know existed before. I know what a tremendous responsibility has rested on the officials of The Department of Labour, and we are indeed indebted to the hon. Minister of Labour (Mr. Daley), the Deputy Minister and all of the officials of his department who have contributed so ably to our work. As chairman, I would also like to thank all the members of the committee for the very wonderful manner in which they performed their duties.

The secretary of our committee, Mr. Perkins, and his assistants, have been of great assistance to us, and we have received very good, conscientious advice from our counsel, Mr. George T. Walsh, Q.C. I respectfully ask, Mr. Speaker, that our life be extended for the purpose already mentioned in the brief.

Mr. Speaker: Motions.

Introduction of bills.

Before the orders of the day, I would like to welcome the students who are here to view the proceedings of the House—the students from Pauline Johnston collegiate, Brantford;

Doctor Cannon school, Oshawa; Delta secondary school, Hamilton, and St. Basil's school, Toronto.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I desire to table answer to questions 8, 12, 17, 27, 28, 32 and 34, and I should like to make the answers to questions 5 and 35 orders for return.

Mr. Speaker, before the orders of the day, I would like to say that I mentioned the other day a member of our press gallery, Mr. Kinmond. I should like today to mention another member of the press gallery who has received the distinguished honour of being made the vice-president of the Canadian Union of Journalists, that is, Mr. Roland Desmarais, of *Le Droit*, Ottawa. I think he is the only Canadian journalist delegated to the international federation of journalists held in London, England, at the end of April next, and he will also attend the international federation of the French press in Brussels. We extend our congratulations to him.

Mr. J. A. McCue (Lanark): Mr. Speaker, before the orders of the day, I would like to report that the committee on health met this morning and made certain amendments to Bill No. 169, An Act to amend The Ontario Hospital Services Commission Act, 1957.

Hon. G. H. Dunbar (Provincial Secretary): I beg leave to present to the House the following:

Twenty-sixth annual report of The Department of Public Welfare for the fiscal year 1956-1957.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to.

House in committee of supply; Mr. H. M. Allen in the chair.

ESTIMATES, PROVINCIAL SECRETARY'S DEPARTMENT

Hon. G. H. Dunbar (Provincial Secretary): Mr. Chairman, in rising to present the estimates for this department, I may say we have 3 branches; one deals with The Companies Act, another with vital statistics, and the third with the civil service commission.

I am reminded, by looking around the House, that when we first came here in 1937, there were not so many of the same faces; in

fact, just 4 on this side of the House and just two in the Opposition. I listened to the hon. member for Brant (Mr. Nixon) for several years as he presented in a very capable manner the estimates which I am presenting to the House today.

Mr. T. D. Thomas (Oshawa): Old soldiers never die.

Hon. Mr. Dunbar: That was last winter, was it not?

Mr. Thomas: Old soldiers never die.

Hon. Mr. Dunbar: Never die, just fade away.

My department is completing one of the busiest years in its history. The revenue for the department in the present fiscal year will likely equal that of last year, namely, \$2.086 million which is the highest revenue in the history of the department.

In the past 5 years, our revenue has more than doubled. This increase in revenue is due largely to the great increase in the number of companies being incorporated. This year we will incorporate in the neighbourhood of 4,700 new companies, which is somewhat less than the number of new companies incorporated last year.

While it is true that a great many of these new companies are construction and development companies, yet every phase of activity is represented in these new incorporations which, I believe, is a healthy sign for business generally.

These new companies embrace manufacturing, industry, mining, insurance and, in short, every line of endeavour. This increase in the number of companies is indicative of our expanding economy and very favourable business conditions.

Ontario incorporates more companies than any other one of the incorporating jurisdictions in Canada; Quebec is second and British Columbia is third. There are now over 45,000 companies doing business in Ontario.

Despite the increase in the number of companies, our companies branch is up to date in the issuance of charters. Charters are issued promptly and there is no delay in getting the work out.

The revenue from filing fees for filing annual returns has increased greatly this year. In the fiscal year 1956-1957, the revenue from fees for filing annual returns was \$388,000. In the present fiscal year our revenue from annual returns will be \$445,000.

The new Corporations Act which was recommended by the legislative committee on companies in 1953, and which came into force in 1954, is working extremely well. The general public is very satisfied with the new Act, and there are almost no suggestions for amendments.

In the present fiscal year, from April 1, 1957, to January 28, 1958, there have been 41,959 marriages solemnized in Ontario, which is about the same as last year. About two-thirds of these marriages were solemnized under the authority of marriage licences, and the other one-third were solemnized under the authority of publication of banns.

The new Marriage Act of 1950, like the new Corporations Act, is working extremely well, and the public is very satisfied with it. The revenue from marriage fees, including fees for marriage licences, special permits and civil marriages, will be about \$155,000.

Office of the registrar-general

Summary of registration services: The office of the registrar-general performs two main functions in the public service, one statutory, the other statistical. The former consists of administering The Vital Statistics Act; the latter providing statistical data on births, deaths, marriages and still-births, and issuing required statistical information to qualified medical practitioners and other authorized agencies.

Volume of registrations

As has been the case since 1945, the total number of registrations filed with this office has shown an increase over the previous year. However, this year the increase in birth and death registrations is greater than usual.

In this connection, a press release from the Dominion bureau of statistics revealed that a record number of cradles were rocking in 1957 and stated the crop to be the largest in Canadian history. Further mention was made to the effect that all provinces except Saskatchewan contributed to the increased number of babies; and that Ontario, followed by Quebec, Alberta and British Columbia, contributed lions' shares to the baby brigade. The article further stated that since 1953, more babies have been born in Ontario each year than in any other province.

Searches

During the past year, this office performed approximately 239,000 searches for the general public, a 4 per cent. increase over the

previous year. Over 34,922 searches were made for other governmental offices and authorized agencies.

Certificates

During the past year, 266,184 certificates, certified copies of registrations and not-in letters were issued, a decrease of 3 per cent. over the previous year.

Revenue

The estimated revenue collected by the office of the registrar-general for the fiscal year ending March 31, 1958, will be an estimated \$280,000, compared to the actual \$273,421 collected in the preceding year.

General office

The general operation of the office of the registrar-general has been extremely satisfactory during the past year. The registration of births, deaths and marriages continued in a very satisfactory manner during the year 1957. The quality of the returns has shown steady improvement, due in no small measure to the work of our inspection staff.

It is the duty of these men to provide help and instruction, and maintain the co-operation and the liaison which exists between the division registrars and this office. During 1957, the inspectors travelled over 68,000 miles in the performance of their duties.

The number of legitimations processed during the past year was 353, compared to 373 in 1956.

The bulk of applications for delayed registration was once more confined to persons born prior to 1920, indicating that there has been much more thorough coverage of registrations during the past 35 years than existed before. There were 3,128 delayed registrations processed in 1957, compared to 3,243 in 1956.

The greatest difficulty in handling delayed registrations is in securing the necessary documentary evidence as required by the provisions of The Vital Statistics Act. The insistence of the registrar-general on adequate documentary proof is, of course, a vital factor, since the whole value of birth certificates as legal documents, proving the facts stated thereon, would be undermined if persons were allowed to file registrations merely on request.

During 1957, some 4,454 adoptions were filed in this office, of which 184 were submitted from out of the province, an increase over the 4,374 received in 1956.

During 1957, 3,139 divorces were filed in this office, a substantial increase over the 2,679 filed in 1956.

During the past year, this office filed 615 change-of-name orders, of which 50 were enacted outside the province, an increase over the 538 filed in 1956.

Some 2,950 registrations were amended. An additional 1,890 were corrected when, upon examining the registration in this office, they were found to be incomplete or incorrect, and the parents were contacted in order to correct the registrations.

As routine procedure, all registrations of births, marriages, deaths and still-births are currently microfilmed. All indexes of same are microfilmed annually. We are also near completion in our project to microfilm and maintain in current order all the older registrations which are deteriorating from constant use.

As required by The Vital Statistics Act, the tabulating section provides alphabetic indexes on a current basis for all births, deaths, marriages, still-births, adoptions, change of names, divorces and corrections. Our present project of reindexing all marriages on file from 1869 to date is proceeding satisfactorily.

During the year, there were retirements and deaths involving certain of our senior members, which necessitated administration changes and promotions.

The substantial increase in registration this year has caused a re-examination of our space requirements, and as a result we have already requested consideration for the construction of a second floor on our present building. It is apparent now that our 10-year estimate made 4 years ago will fall short by at least two years, and within 4 years we will be at the end of our facilities.

Civil service commission

In presenting the estimates of the civil service commission, I am conscious of the fact that this branch of the service, which has the status of a separate department, is perhaps the smallest in both size and in spending. I would suggest, however, Mr. Chairman, that the role the commission occupies in the civil service makes it one of the most important agencies in the administration. Through it the personnel policy and practices of the entire service are administered.

It is an appropriate place to acknowledge the very high standard of service performed by the almost 23,000 civil servants working in all departments of government. I believe

that we have in Ontario employees of as high a standard as one will find in any other service on the continent. During the course of other estimates, I have heard tributes paid to the calibre of civil service staff, and I would like to support those well deserved compliments at this time.

The development of a service of such high standard took place because of the interest of the government in improving working conditions for our employees. Since this government took office in 1943, we have made major improvements in civil service administration, particularly by protecting against hirings and firings on a basis of political affiliation.

In addition, we have introduced a 5-day work week, improved salaries, and developed a superannuation plan which is without peer elsewhere. That plan has been improved by the introduction of legislation this session to provide for deferred annuities for employees who, for any reason, left the service after 10 years' contributions to the fund.

The development of the service, of course, requires that the salaries paid to employees compare favourably with those paid in the best industrial concerns in the province, and I am pleased to report that since 1953 the average annual salary of civil service personnel has increased from \$2,800 to \$3,700 in 1958.

In reviewing the activities of the commission in the last year, the most important advance made was in the way of an improved salary schedule. Increases based on merit were granted effective October 1, 1957, for over 22,700 employees costing approximately \$4.9 million.

This illustrates two important facts: first, that with an increase on the basis of merit, nearly all our employees qualified because they were performing their duties from day to day in a competent manner; and second, that the government realized its obligations in keeping our pay rates at a competitive level.

Improving working conditions has the effect of encouraging the graduates of our universities, high and vocational schools in the province to seek employment with Ontario. For example, I believe that The Department of Highways would report that this year they were able to attract the required number of engineering graduates needed to fill vacancies in the department.

It is idle to speak of increased appropriations for the construction of highways, public works and increased grants to education, wel-

fare, and so on, without providing for the public service personnel to carry out the function of administering these programmes.

I would like to acknowledge the success of the work of the officers of the commission in this respect, for I know that we have the calibre of staff to complete their assignments successfully.

Last year, the commission was broadened to 3 members by the additional appointment of Miss F. V. Glenney and Mr. D. J. Collins. Mr. C. J. Foster continued as chairman.

I would like to pay tribute to Mr. Foster, who has served in this capacity for over 23 years, and under his able direction the service has grown both in size and stature.

The addition of Miss Glenney to the commission recognizes her many years of service in her capacity as assistant to the chairman, and acknowledges the very important role of women in our service.

The work of the commission has been streamlined with the preparation of increase lists speeded up by a simpler certification procedure. In order to assist in the preparation of statistics, and in the coding of information, an International Business Machines installation has been planned which will become the hub of a new statistical and pay research bureau.

The commission has continued to work closely with the various departments in developing and improving personnel procedures and conducting organizational surveys at the request of the departments. The civil service association, both through the joint advisory council and by direct contact with the civil service commission, has represented the interest of the civil servants and worked closely with the commission to improve work conditions generally.

Votes 1,601 and 1,602 agreed to.

On vote 1,603:

Mr. D. C. MacDonald (York South): Well, Mr. Chairman, on vote 1,603 there is a point that I want to raise because I think that while it gets very little public consideration, day to day and week to week, it is a matter which should be considered periodically in this House. I refer to the question of redistribution.

Two years ago, in 1956, we had for the first time in our history a quinquennial census—midway between the normal 10-year census in 1951 and 1961. As a result we are in a position to proceed toward a more equitable fulfilment of the basic principle of represen-

tation by population in the province of Ontario.

As the House knows, 4 years ago we had what was described as a redistribution in the province of Ontario. In reality it was merely the addition of 8 seats in some of the new and suburban areas. It did not attempt a serious scientific job in terms of redividing seats in this province.

As a matter of fact, the hon. Prime Minister (Mr. Frost), as I recall, started out by saying that he hoped that none of the historic boundaries would be touched. That approach, of course, simply means that one cannot have a genuine redistribution to bring the situation up-to-date with modern conditions.

During the last few years the population growth, particularly in some areas of the province, has become so fantastic that today we have seats with 6, 8, 10 times the number of people as we do on the electoral lists of other seats. Yet there appears to be no intention on the part of the powers-that-be to correct this situation.

For example, without going into any great length on this, Mr. Chairman, I would just like to give hon. members a few population figures. I acknowledge that these figures for 1955 are already out of date, because how one can keep up-to-date with the kind of population developments in areas like Scarborough and North York, for example, I do not know.

In 1954, following the redistribution, at the bottom of the scale in the province of Ontario there were 23 seats with fewer than 20,000 voters, while at the top, the 6 suburban Yorks ranged from 46,000 to 79,000. Now, how can we pretend to be implementing the principle of representation by population, when that kind of situation is ignored and the divergence grows every day? The 6 suburban Yorks, with a total population of 369,000, actually had more people than the 22 smallest ridings with a voting population of 359,000.

Now, before I go any further, Mr. Chairman, just let me anticipate any suggestion that I am here making a plea for equality of ridings. This obviously is not possible, or desirable. In a province the size of Ontario, with great geographical areas on one hand, and large population on the other, we must strike some balance between population and the geographical area of the riding. I acknowledge that we have to have some balance between these two factors; therefore rural

ridings would not have as many voters as urban ridings.

But that does not justify the absurdities that have now emerged because of the fact that we have ignored this problem for so long. Let me give two or three other examples. In York East in the last election both the Liberal and the CCF candidates polled over 10,000 votes, and yet they lost the election. At the same time we find, for example, that the hon. Minister of Public Welfare (Mr. Cecile) was elected with 6,385 votes; the winning candidate gets something like 60 per cent. of the losing candidates in another constituency. At the same time, the hon. Minister of Reform Institutions (Mr. Dymond) was elected with 7,249 votes.

York East has more eligible voters than these constituencies combined: the constituency of Victoria represented by the hon. Prime Minister, plus the constituency of Prescott represented by the hon. Minister of Public Welfare, plus the constituency of Cochrane North, which was then represented by the then Minister of Mines, plus the constituency of Northumberland represented by the hon. Minister of Agriculture (Mr. Goodfellow).

In other words, one urban constituency represents as many voters as do those 4 or 5 cabinet Ministers in rural seats. In fact, the 6 suburban Yorks together have 30,000 more voters than represented by 13 of the 19 cabinet Ministers.

If we continue to ignore this situation across the province, we are permitting the continued existence of what cannot be described as anything other than pocket boroughs; and it is strange the number of these pocket boroughs which are occupied by cabinet Ministers or representatives on the government side of the House.

Now, in raising this, I just want to make a final plea which I think should be accompanying any suggestion that we tackle the problem of redistribution. I hope that we can handle this problem without the political considerations that have characterized this in the past.

For example I draw to the attention of the government and the House, if they are not familiar with it, what seems to me to be a very admirable solution of this very complex situation now adopted in our sister province of Manitoba. They have legislated an arrangement whereby the redistribution committee is a permanent committee. It is made up of the persons who happen to occupy 3 positions: The electoral boundaries commission consists of first, the chief justice of

Manitoba, secondly, the president of the University of Manitoba, and thirdly the chief electoral officer of Manitoba. There they have 3 people who, presumably, are all removed from politics, and therefore are going to be in a position to decide on any revision of boundaries without reference to political considerations that have resulted in the gerrymandering down through our history.

In Manitoba, every 10 years there is a redistribution. They have worked out a formula in trying to get a compromise between a fair representation of urban and rural areas on the basis of 7 to 4—in other words an urban seat could be in a ratio of 7 to 4 population for a rural seat.

They have another very interesting stipulation in their Act which must be lived up to: in any individual constituency, population variations must not exceed 5 per cent. without mandatory action by the commission in revising boundaries.

In other words, if the variations beyond this 7 to 4 population ratio go up 5 per cent. or down 5 per cent., then there must be some revision. This becomes a mandatory proposition rather than one that can be ignored from year to year until a constituency grows beyond all bounds.

Now I have presented some details of the Manitoba solution to this problem which strikes me, Mr. Chairman, as offering a pattern that is at least worthy of study. Certainly it represents a real effort to rescue this whole problem of redistribution from the political arena.

My question, Mr. Chairman, that I would like to put to the hon. Provincial Secretary, or the hon. Prime Minister, is: what is the view of the government with regard to the need for re-establishing the basic principle of representation by population in this province, in light of the variations in population, or changes in population, and the growth of some of the constituencies?

Hon. L. M. Frost (Prime Minister): The problem with the increased population of the province I think was met in a very practical way. The last redistribution was in 1954. I have not heard the hon. member for Oshawa (Mr. Thomas) complaining about the division that was made down there, nor have I heard the people of the riding of Ontario complaining about the division. Of course, the hon. member for Oshawa could rise and complain, now that it is drawn to his attention, but I have never heard any complaint.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, I objected to the committee at that time. Be fair now, be fair now.

Hon. Mr. Frost: Objection noted. I think the hon. leader of the Opposition (Mr. Oliver) and the hon. member for Brant would rather object to their historic ridings of Grey South and Brant being called pocket boroughs. That is the way I feel about it.

After all, remember a pocket borough is an expression used over a century ago in the United Kingdom when certain landed and other gentry had a half-a-dozen votes in an area and were able to elect themselves to Parliament.

I do not think it is just as simple as that in the great rural ridings of this province. There are difficulties in the matter.

We had, for instance, a by-election in the county of Elgin recently. Now some years ago there were certain townships in Elgin county that were detached and placed in the riding of Kent East. That took place about 25 years ago, and one can hardly go to the county of Elgin to this day without objections being raised to that, and raised on the ground that those townships belong to the people who think like the people of Elgin do, therefore they should be in the riding from that county. And there is a lot to be said for that, and that was my reference to those traditional boundaries.

As a matter of fact, the minute we start cutting across county boundaries and municipal boundaries, then first of all we lose the aspirations and points of view of people who live in certain areas, and we get them very much disturbed and very much upset.

I would say to the hon. member that it is true that our ridings vary, that has always been the case, in federal ridings particularly.

When one gets down to a question of putting the people into set forms where, if there is a variation of a percentage of a few, then a township goes into another area, I think the difficulties and the dissatisfaction in the feeling of the people far more than offset any advantage there may be otherwise.

I would say to the hon. member for York South that some of our ridings are very large.

My own riding is very large, it stretches for about 110 miles from the north boundary of of Durham county up to Algonquin park. If one is at Dorset on the west side, it is 100 miles over to Bancroft, which is in the county of Hastings, but over at the Cardiff boundary. That is a very large area, and many of the ridings are like that, and if they are not like that, then, of course, perhaps

the population differences, and the problems of representing a rural constituency, are quite difficult.

One can have all the scientific formulae—if I can use the plural of that word formula that way, scientific formulae—that one likes, but after all, in Ontario we have followed this pattern for generations past, and I do not know that it is a bad pattern after all.

In this last redistribution, we added 8 seats which went really into the large population areas. It was a recognition of increased population there and I do not think, by and large, that it was a bad redistribution.

Mr. MacDonald: Mr. Chairman, the hon. Prime Minister has just evaded the whole basic question that I raised. He has talked around it, and has taken refuge in the fact that some people have an attachment to certain townships and want them to remain in a certain constituency. But if he keeps talking that way, he can let Scarborough and York East grow until they are 200,000 population.

For example—and these figures are out of date, they are grossly out of date—following 1955, the total number of voters in Rainy River, which was then the smallest constituency, was 12,350, and the total number of voters in York East, the largest constituency, was 79,571. In other words, a vote in York East is worth approximately one-seventh of a vote in Rainy River.

How can the hon. Prime Minister pretend to be giving representation by population in the province when that kind of situation exists?

Hon. Mr. Frost: I do not pretend. I am giving the hon. member the facts: Here is Rainy River, 1,000 miles from here, away off in a corner of the province. Now the other area is a fine, important part of Metropolitan Toronto, there are at least 3 daily papers and radio stations and other things, and I would say that it is much less difficult for the fine area of York East to give expression to its point of view than the people who live out on our frontiers.

Mr. MacDonald: The answer of the hon. Prime Minister now is to take refuge in a far-off corner of the province. Let us go up the list of ridings from the bottom. Next to Rainy River is Glengarry with 12,472, Middlesex North with 13,426, Carleton with 14,574. Now, there are constituencies all over the province, and I submit that he cannot continue to ignore this basic principle.

In addition to other anomalies, just let me draw this to the attention of the House—

Hon. Mr. Frost: The logical course of this would be to cut down on rural representation and add to urban. Does the hon. member think that should be done?

Mr. MacDonald: Yes, it should be done to some extent, within perhaps a fixed population ratio—and the hon. Prime Minister need not look like the cat which has eaten the canary because he thinks he has a political point—that he will go out and talk about in the pocket boroughs. It should be done within the range of some population ratio, laid down and recognized as fair between urban and rural.

And I think we can face up to this and get an answer—whether or not it should be the 7 to 4 ratio that they have in Manitoba, I do not know. But there is one that was worked out, after having had, I can assure him, even more intense rivalry between rural and urban than perhaps ever existed in Ontario, because the rivalry between rural parts of Manitoba and the city of Winnipeg is one that has been a basic feature of the history of the province.

Another point that I wanted to draw to the attention of hon. members is this: take the situation, for example, in a constituency like Port Arthur. The hon. member for Port Arthur (Mr. Wardrope) could give more details, but I have been around his constituency enough to know that it is absurd, it is absolutely absurd, to ask one man to serve that number of people scattered over such a geographical distance.

As a matter of fact, why Port Arthur was not redistributed in 1954, when, for example, the Ontario constituency was included to meet the demands of a cabinet Minister at that time, I do not know. At the time of the last redistribution, Port Arthur had something like 40,000 to 50,000 voters, and was far more entitled to a redistribution.

Now, with the development of areas like Manitouwadge, of new centres down the Canadian Pacific Railway line, of Hornepayne and these other areas, it seems to me there is obvious logic and equity in the proposition that a new constituency be carved out of there. The hon. Prime Minister takes refuge in all these sentimental little attachments to historic boundaries—which I would not ignore—but it seems to me that if he places his whole emphasis on the sentimental attachment, he is going to violate more and more the basic principle of representation by population.

I am not going to pursue it any further, because I see the government is not going to budge. Apparently its decision is not to

budge. We will have to continue raising the issue year after year, and conceivably public opinion will eventually drive them to a move.

Votes 1,603 to 1,606, inclusive, agreed to.

On vote 1,607:

Mr. MacDonald: I am sorry no other hon. member is interested in these estimates, but I can assure the hon. Provincial Secretary that, despite his benign smile and all the sunshine that pervades the House when he rises, I do not think everything is quite as happy—that the situation is quite so perfect with regard to the civil service commission—as he has intimated. I want to touch upon that briefly.

I emphasize this at the outset: the comments I am going to make with regard to the civil service commission are not going to be my views. I am going to take refuge, as I did last year, in quoting to the hon. Provincial Secretary what the civil servants themselves are saying in their publication, *Trillium*, about the civil service commission.

Indeed, I would like at the outset to pay tribute to the civil service association, the civil servants within it, for the forthright manner in which they are persisting in trying to get this government to move in the establishment of a genuine, effective, operative, civil service commission in the province of Ontario.

We have not got it. We are not within reaching distance of the establishment of a civil service association which handles labour-management relations, or management-employee relations—call it what you will—in a modern way. I would just like to relate the kind of thing that the civil servants have been saying for the last two or three years, all without any apparent effects upon the government.

Back in 1955, the president of the civil service association, in reporting to their annual meeting, made this comment with regard to the work of his directors:

The total effort that the directors have put forth is deserving of greater success, and the lack in this regard is due to the disregard of the association's moral right to negotiate on behalf of the Ontario government employees. This is all the more unfortunate when it is remembered that such a right is guaranteed by the Ontario government employees' representatives in other fields.

Now that was in 1955. Let us move on to 1956. Here, I am quoting something that I read into the record last year, but I think within the sequence of these quotations I would like to repeat it. They came to grips with this basic problem in the civil service, namely patronage, and in an editorial in the January issue of *Trillium*, the official publication of the association, under the heading "Patronage Produces Prejudice" this is what they had to say:

Practiced extensively in government services in the past, patronage has in later years diminished, or at least to a greater extent is being driven underground.

Nevertheless it still exists. It continues to sap the efficiency of services affected and so adds to the tax burden of citizens already hard pressed. Any government policy, if it is aimed at an honest, efficient and economical service, must rest on a sound personal programme free of interference from outside sources. There can be no room for patronage.

The civil servants association of Ontario knows from bitter experience that patronage, political and personal, is the greatest destroyer of initiative and efficiency encountered in the public service. It is, therefore, consistently aimed at a service free of this vicious system.

There we have the civil servants speaking to a government and pleading that something should be done about it.

Just to show hon. members that this plea is not out of date, we had rather an interesting event in our office some months ago when an effort had been made to secure, in the case of a certain citizen, action on behalf of his application for commissioner of affidavits. This was turned down, and we got in touch with the appropriate officer in The Department of the Attorney-General, the inspector of legal offices, and asked why.

The first excuse was that, because the applicant was a real estate agent, they did not like to give this commissionership of affidavits to a person in that position. But if was acknowledged that this was not the only reason. The next excuse given was that normally recommendations for such appointments come from hon. government members only. Well, when we queried this, there seemed to be a "double take" at the other end of the line when it was realized that this was rather an indiscreet comment to make. So the next query was whether the applicant was a naturalized Canadian citizen. When it was

pointed out that he was not only a naturalized Canadian citizen, but that he had been born in Canada, the reiteration that came back over the telephone lines was that anyway "he has a foreign-sounding name."

So here we have a situation in which one not only has a prejudice against persons with foreign-sounding names getting appointed, but, in addition, the proposition that since this did not come as a recommendation from a government side of the House, it was not given the normal consideration. This was only one of dozens of examples that could be given down through the months. Pardon?

Mr. A. Grossman (St. Andrew): Is the hon. member satisfied that this is the case of one of our civil servants replying that, because he had a foreign-sounding name, this was a reason that they had not granted it?

Mr. MacDonald: I am very satisfied, otherwise I would not have given it to the hon. members in the first place.

Mr. Grossman: I am very doubtful about that, because in the 3 years I have been around here I have never ever had any such experience—that there was any prejudice against anyone because of the sound of his name.

Mr. MacDonald: The hon. member is on the wrong side of the House to run into that sort of experience.

Mr. Grossman: As a matter of fact, the buildings are full of people with foreign-sounding names—if you want to put it that way.

Mr. MacDonald: Here is a further quotation that I pulled out of my docket, when the hon. Minister was talking about everybody in the civil service doing a good job. Far be it for me to place myself in the politically dangerous position of challenging this, but may I quote from the editorial of the May, 1956, *Trillium*:

We are alarmed [say the civil servants themselves] at the growing number of persons who indicate that in their respective departments in the Ontario service there are persons, in varying numbers, who are on the payroll, who perform little or no useful work.

Then they go on to tie it in with the need for having a civil service commission which will hire people to do a specific job because they have the qualifications to do the job—in other words, because of what they know, rather than who they know.

Hon. Mr. Dunbar: Pardon me—

Mr. MacDonald: May I complete this?

Hon. Mr. Dunbar: This speech is not according to the estimates, this man whom the hon. member mentions as taking affidavits is not a civil servant, so there is nothing. He is talking about civil servants, and he is speaking about a man who is not a civil servant.

Mr. MacDonald: Oh, I passed that point. I was dealing with the general practice of patronage, and I gave the hon. Provincial Secretary instances in the civil service, too.

Hon. Mr. Dunbar: If an application came in to me, say, for instance, where some person wanted to have permission to take affidavits, does the hon. member think there is any person better qualified to give the information, if this was a responsible citizen, than the representative who has been elected by the people of that riding? Would he call that patronage? I do not think that is patronage, I think that is being careful and protecting the people who are already appointed, and that unqualified people are not appointed.

Mr. MacDonald: May I ask the hon. Provincial Secretary a question? Is the only elected person who is qualified to make a recommendation one who happens to be on the government side of the House?

Hon. Mr. Dunbar: No.

Mr. MacDonald: Oh, well, that is precisely what happened in this instance.

An hon. member: I doubt that.

Mr. MacDonald: It did, the hon. member can doubt it all he wants. Let me bring it up to date, January, 1958, Mr. Chairman.

An hon. member: Red herring.

Another hon. member: Black herring.

Mr. MacDonald: We have heard from York West.

In the January, 1958, *Trillium* there is an editorial in which they list 15 points concerning which the government has indicated that it is willing to do something. I suspect the civil servants had tongue in cheek when they wrote this editorial.

As we enter a new year we may well be entering a new era in the history of our public service and of the association. The government of Ontario has indicated that—

then the editorial proceeds to list 15 points. I shall touch on just a few of them.

First, that it wishes to become one of the better employers.

The implication of which is that it is not at the moment—which is a fact.

Hon. Mr. Frost: A laudable objective.

Mr. MacDonald: A laudable objective, but the hon. Prime Minister should have been one of the better employers a long time ago.

Secondly, it wishes to eliminate the evils of patronage. Well, that is a good aspiration on the part of this government, and a very much-needed one, I would say—very laudable, very laudable, indeed.

Hon. Mr. Frost: Read the whole 15, this is very good.

Mr. MacDonald: Thirdly, it wants all employees with more than one year's service appointed to the permanent service. Here let me congratulate the hon. Minister of Lands and Forests (Mr. Mapledoram) who last year rose and laid this principle down. I said at the time that I hoped that his other hon. colleagues in the cabinet would follow suit. Apparently now this has been stated as government policy.

In its ninth point, it strongly supports modern personnel practices. Well, as long as we have the present kind of civil service commission, we are simply not living up to that.

Finally it considers the civil service association of Ontario the—

Hon. Mr. Dunbar: Is this the civil service commission?

Mr. MacDonald: I will come to that in a moment.

Hon. Mr. Dunbar: What is wrong with the civil service commission?

Mr. MacDonald: Then the editorial adds this comment after these 15 points, and I hope the hon. Prime Minister will listen to this:

It is unfortunate that many senior civil servants who, by reason of their position in the public service, are responsible for carrying out the policies of the government, are instead, if not definitely blocking progress, doing very little to assist the government in becoming one of the better employers. There is every indication—

I would like the hon. Prime Minister to explain this because this may be the key to the progress—

—that the Prime Minister is growing impatient with the slow progress being made and will take more direct action in the future.

I now depart from the civil service publications and the views of the civil servants themselves to remind the House briefly of the observations last year by the citizens research institute of Canada—a very reliable and independent body—in which they comment with regard to the Ontario civil service:

The Ontario commissioner enjoys less than full security of tenure and, what is more, exercises no direct authority over a selection of personnel with the sole exception of typists and stenographers.

Then the citizens research institute makes what I suggest, is an accurate description of the stage which we have reached in our present civil service commission:

Sometimes the establishment of a civil service commission with appropriate responsibilities over appointments, transfers and promotions, has not at once served to free the service from the evils of political influence. A civil service commission may survive for a long time as nothing more than a screen behind which the spoilsman is left to continue his unsavoury activities.

I do not know what the *Trillium* editorial meant when it says that the hon. Prime Minister is getting a little unhappy about the lack of progress in this connection, or who the civil servants are that are standing in the way of progress. But I want to ask the hon. Provincial Secretary, or the hon. Prime Minister: when are we going to establish a civil service commission with real powers, instead of the kind of caretaker set-up that we have at the present time?

I am not saying anything critical of the personnel of the civil service commission. They are working within the framework of rules that are laid down by the government, and, as the civil servants themselves say, the government has to move.

In fact, I could quote from editorials on the eve of our last legislative session when they put the question straight to us:

You, Mr. Legislature, when are you going to move to establish the basic framework within which we can set up an effective

civil servants association which will advertise jobs, have examinations, and through this process, hire people in accordance with what they have to offer in terms of ability, and experience, and not in terms of the political influence exercised on their behalf?

What is the government planning to do and why is the hon. Prime Minister—as the editorial said—growing impatient with the slow progress and planning to take direct action? What is this direct action and when can we expect it?

Hon. Mr. Dunbar: There is not any person appointed to the civil service without a certificate from the civil service association.

Mr. MacDonald: A rubber stamp after the appointment is made.

Hon. Mr. Dunbar: The hon. member is not making any charge personally against them, well, then how is that when they are making the appointments—

Mr. MacDonald: Ah, now the hon. Provincial Secretary know, in most instances, what happens. The appointment is made by the department, and then is rubber stamped by the commissioner.

Hon. Mr. Dunbar: We have not got rubber stamps in the civil service.

Mr. MacDonald: What is the hon. Prime Minister going to do about it? He cannot sit there and ignore this whole thing.

Hon. Mr. Frost: I cannot rise while another hon. member is on his feet.

Mr. H. A. Worton (Wellington South): Mr. Chairman, I would like to ask the hon. Provincial Secretary a question. I understand that last October the civil service obtained a raise, and I understand that in our civil service in Guelph, namely the college, that some of them have not obtained that raise as yet. Now is that so?

Hon. Mr. Dunbar: I am informed that they were taken care of earlier, they had received that same advance salary that the others were receiving October 1. They had received it earlier, and there might be the odd one—I would not say that there would be any there, surely not there—but this was on the merit system, and there might be the odd one left out who might not merit the increase, but the others had been looked after earlier.

Mr. Worton: I do not wish to dispute what my hon. friend says, because he should be

perhaps in a better position than I am to judge. But these people were notified that they were to receive the raise, yet as of March 1, they have not. Now I think they may be expecting it before the end of March, but I feel that 5 months is a little too long a wait to receive that raise.

Hon. Mr. Dunbar: I thought that most of them—the great majority of them, I was told—got the raise in February. There might be a few who did not receive it in March, but they tell me that some of them in that institution had received that advance prior to adjustment, on the recommendation of the committee.

Mr. J. Yaremko (Bellwoods): Mr. Chairman, I would like to say a word at this time. There are two types of persons whom I have not too much use for. Firstly, the type of person who discriminates in any way; and secondly, the type of person who deliberately tries to stir up one group against another, namely the hon. member for York South. His only purpose in this, I am—

Mr. MacDonald: Pompous, unctuous.

Mr. Yaremko: His only purpose in this, I am speaking to what the—

Mr. MacDonald: Let the hon. member stick to the issue instead of being personal.

Mr. Yaremko: I am speaking on the issue the hon. member raised, and I will have my say.

The hon. member deliberately brought that up because he wants to create the impression that somewhere in this Legislature, right in the Parliament buildings, there is a discrimination against foreign-sounding names. But the amazing thing is that, in trying to bring that in, in speaking of civil service matters, he had to go completely outside the sphere of the civil service to even bring up what he thought was an instance. It is amazing to me that an hon. member can be around this Legislature without, at least on one occasion, looking in this black book, and I recommend it very highly to the hon. member for York South.

I do not know these people, I just opened it at one page, let us look at some of the names, I am in the "D" section:

Dinorcia, Linsmore, Dion, Dionne, Divinec, Dixon, and so on. Dobrouits, Dobson, Dodds, Dodge, Doerr, Doidge, Dolasowski, Dominski, Dolnycky, Donaghue, Donald, Donaldson, Donnelly, Donofrio, Donskov, Dooner, Dopp, Doratti, all good Canadian names.

Then we will take the special pages, the "Z". I bring this especially to the attention of the hon. member for York South, and I am reading exactly every name in the order it appears on the page:

Zabolotsky, Zachary, Zajac, Zaluski, Zanchin, Zatrepaek, Zavitz, Zeldin, Zembal, Zerbeck, Zettler, Zidenberg, Zigurs, Zimmerling, Zimmerman, Zinn, Zivanovich, Zoberman, Zonnenburg, Zucker, Zukowsky, Zulis, Zwicker.

I recommend the hon. member for York South take a look at this book and he will see exactly the type of names that do appear.

If I should ever have the occasion to hear anybody refer to a foreign-sounding name, I too will rise and protest it, I will not rise for one specific reason, and the only reason the hon. member raises this point is to make political capital.

Mr. MacDonald: Mr. Chairman, some time I may be in a position to document this more fully than circumstances will permit at the moment. But, in the one case I have cited, I am not going to give the name because there is no purpose. I can give it to the hon. Provincial Secretary privately.

Hon. Mr. Dunbar: That would not prove anything, anyway.

Mr. MacDonald: It will. This was said to us by the official in question, "it was a foreign-sounding name anyway." No, do not dispute it. This is a fact.

Hon. Mr. Dunbar: Who do you mean by "us"? Was it the hon. member's political party? We are supposed to accept what the hon. member says?

Mr. MacDonald: In our office, he said that. I tell the hon. Provincial Secretary this is what happened. We attempted to assist this man in getting an appointment.

No, Mr. Chairman, before we leave this—the hon. Prime Minister is sitting in his seat and hoping that this will go by. Let me quote this one sentence to him:

There is every indication that the hon. Prime Minister is growing impatient with this whole proposition of the civil service commission with the slow progress being made and will take more direct action in the future.

Now, what does that mean?

Hon. Mr. Frost: Well, I would say to my hon. friend that as a matter of fact I was

rather itching to make a speech but I thought that perhaps I had better not. Now, in connection with the last sentence that my hon. friend has read I would say to him that such is my attitude towards the problems of the day. I can assure my hon. friend that it is never well to be complacent. It is always well to keep oneself in a state of, I should say, reasonable dissatisfaction. He does understand?

Mr. MacDonald: I do try to do that.

Hon. Mr. Frost: If one does not do that, then he gets into a rut. I would say this—

Mr. MacDonald: For this government.

Hon. Mr. Frost: —that this government has made such an outstanding contribution to the growth of this province because we have never been satisfied that we cannot do better.

Mr. MacDonald: What about the issue I have raised?

Hon. Mr. Frost: I was just coming around to that. I wanted to lay the ground work. This is all very relevant. The position of being critical, I think myself, is a good one to take. I think that it adds to the betterment of one's personal self and the associations that one has. We have to be reasonable about these things. That is the place where my hon. friend falls down. He is dissatisfied with the most terrific performance. Always.

Mr. MacDonald: It is the civil servants who are dissatisfied, not me. I am quoting the civil servants. Speak up to what they are protesting about.

Hon. Mr. Frost: I was just speaking to my hon. friend in terms of—

Mr. MacDonald: Forget about me for a moment.

Hon. Mr. Frost: May I say to my hon. friend that this is my objective frankly, and I mean I am speaking personally, and I think that in speaking personally I speak as the head of the government. I am very anxious that our civil service should be improved constantly. Now I feel the civil service here in Ontario is the best civil service in Canada including Saskatchewan. Further, I feel that we have the best methods and I think that we do the best job, and I think our personnel is the best. Now that is my summing up. I would not say there is no room for improvement, and I believe we should have constant talks with the civil servants on this basis, on the near cases. I like to see progress made. Now my hon. friend has been in this

House since 1955. Every year he has seen improvements. He must admit, as he sits in his seat today, that there is a great improvement.

Mr. MacDonald: Does the hon. Prime Minister think his commission is—

Hon. Mr. Frost: In saying that—

Mr. MacDonald: There is very little on this score.

Hon. Mr. Frost: Now, wait a minute, there is a great improvement this year over last year. I am hopeful that this time next year there will be further improvements. First of all, our civil service commission is not a rubber-stamp organization at all. Our civil service commission is a very efficient commission.

As a matter of fact we have changed the set-up there. Mr. Foster used to operate as a one-man commission. In the last year or two, we have placed a woman on that commission, which I think is a great recognition of the days in which we live. Mr. Collins has been serving on that commission; he is a very able young man who came up from the commission itself.

Mr. MacDonald: I will say this to the hon. Prime Minister, if he put 5 Mr. Collinses on there, this would change overnight.

Hon. Mr. Frost: May I say this to the hon. member, that he, Miss Glenney, and Mr. Foster are very fine servants, and we refer to them in no derogatory way, which is what my hon. friend is doing.

Now, I would say that Mr. Collins himself joined the service as a member of the commission. He served in various capacities, and now he is a very responsible executive in government service. I would also say to my hon. friend, we have at the present time, directly in government service, some 27,000 employees. One can add to that I suppose another 10,000 in the liquor board and some of our subsidiaries. But in any event, we have 27,000 people in the civil service.

Now I am very anxious, in many ways, to make that better use of our man-power. I think that is true of Canada as a whole. I think that one of the great jobs, that we have in this country, is to make the best use we can of our 17 million people, because we are certainly going to cross that mark.

Now I would say with our civil service I would like to see a betterment in the uses of our man-power services. That is a difficult thing with 27,000 employees, but I think

that we would make notable advances in the next year towards achieving this.

I would like to provide better opportunities of promotion. It is a great thing that somebody can come into this service, low down on the rungs, and become a Deputy Minister, or can achieve some other high post. In any event, I would say there will always be a chance of promotion for these people.

As a matter of fact, I have found this, that oft times there might be some person who is serving as a guard, say in one of our reform institutions, or perhaps as an ordinary helper in one of our hospitals or other services, who has great capacity, and if the opportunity for development is given, that person could achieve better things.

Now, sir, those are some of the objectives that I would like to see accomplished, and those are some of the things that I have talked about to the service.

Regarding those 15 points or so that the hon. member has mentioned, he did not read them all. But I have discussed those with the civil servants and I have said what I am saying here now, that I think that there is great room always for improvement of our services and opportunities of developing the talents of our civil servants. Now I would like to see, and I am hopeful that this may come about in the next year, the establishment of a school in our civil service for the development of persons with executive and other talents.

Now, that is quite a big order, and it is a difficult thing perhaps to bring about, but I think that we can bring it about.

As a matter of fact, one of the crying needs of these days everywhere is for the development of talent of those who have the know-how to do things and can get them done, people who can supply the spark to inspire various types of personalities and get the job done.

I must admit that a person may be a university trained person, or something of the sort, and that in itself is not the thing. It is that inherited ability that people have to get things done, and who perhaps can draw under them people with high technical abilities, university and other people, to get things done. Now those are things which I have talked to our civil service about. I have had in the last number of years, but not particularly the last year or two, a very great many discussions with our civil service association, and I want to pay tribute to them now as a very fine body of people.

I may say that they have sometimes expressed impatience about things. Perhaps that is natural enough, as things arise in every organization. Now I would say that I think that our civil service association have the feeling there is a government here which is anxious to co-operate with them and is prepared to talk things over. I always like to have an open door and never have an iron curtain around my office.

But there are only 24 hours in the day, and one has to sleep so long and one has to take time out to eat and so on, and it is difficult to see everybody.

Now, I set up a cabinet committee a year or two ago, under the chairmanship of the hon. Minister of Labour, so that the civil servants could come in and discuss their problems and get them down. Now, I can say that there are many things, and that is being done constantly, and I think that is a good thing. But I admit that some petty grievances are not dealt with promptly. Perhaps it falls between two departments. Those things cause difficulties.

Now one of my hon. friend's jobs and his committee's is to bring people together and keep them together in order to get things done. I would say to my hon. friend that in government, in democratic government in these days of 1958, there are many things in the organization of government that can be done to better things. Now I think that that is implicit in the question that the provincial auditor asked about governments and commissions. I do not want to get into that question, but I would say this, that it is the question of getting things done well and efficiently, and at the same time retaining all of the benefits of an elective system.

Mr. MacDonald: May I ask the Prime Minister a question?

Hon. Mr. Frost: There is the situation, and I think that is the answer that I would give to my hon. friend, and I think that he will agree that that is a fairly good answer.

Mr. MacDonald: After I have struggled out from the Niagara of words that has been poured on me, I have one final question I would like to ask the hon. Prime Minister. In this set of objectives that the hon. Prime Minister has just spelled out, is there included the proposition of building a civil service commission which will, in appointments or promotions, make them through competitive examinations? This is the basic thing. Does he envisage this as being the

role of the civil service commission on all appointments, not just a few in The Department of Public Welfare, but all of them?

Hon. Mr. Frost: I would say to my hon. friend that two of the commissioners are sitting here, and they might disagree with me. I would say that in government they very often do disagree with me. I am not referring to them, but I am talking of others. I never ask for agreement with my point of view but I would say this, that I think that my hon. friend is wrong in saying that the whole thing depends upon written examinations. I doubt that very much, and I think myself that very often, and I would take it with my own experience that now goes back a very great many years, it is the appraisal of a man, perhaps not what he rates in an examination paper, that counts.

I think there is a place for examinations. I think there is a place for written tests, but I do not think those things occupy the whole stage by any means.

Mr. MacDonald: I did not say written, I said competitive examinations.

Mr. Worton: Mr. Chairman, I quite agree with what the hon. Prime Minister has said about the high regard for the civil servants, but being in a city where there is often much discussion in regard to salaries, it has come out quite recently that in our area there were 20 per cent. of the high school teachers receiving \$7,000 and yet only 25 per cent. of our college staff receiving \$7,000. Now those arguments were based on a 10-month period, and while I quite agree that we have a very efficient service, I also feel there should be a more realistic view taken to bring the salaries up to be more competitive with certain lines of work.

Hon. Mr. Dunbar: I just want to say a word on vote 1,608. I am surprised when the hon. member for York South reads so many articles from the civil service association paper that he did not read that nice one they wrote about me—that editorial.

Mr. MacDonald: Which one is that?

Hon. Mr. Dunbar: I have not got it here, but the civil servants were very pleased with my actions as Provincial Secretary. It is a long editorial. The hon. member never read that at all.

Mr. MacDonald: The hon. Provincial Secretary is going to cross himself up. Last year I read it, and then pointed out that two months later they wrote another one and said they

were unhappy, that the trickle of changes had dried up. Even they had become unhappy with the smile that turned to clouds.

Hon. Mr. Frost: I move that the committee rise and report certain resolutions.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Allen: Mr. Speaker, the committee of supply begs to report that it has come to certain resolutions and begs leave to sit again.

Report agreed to.

Hon. Mr. Frost: I move that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to.

ON THE BUDGET

Mr. R. K. McNeil (Elgin): Mr. Speaker, in rising to speak on the budget debate I would like to take this opportunity to thank the hon. members of this House for the assistance, guidance and advice which they have given me during this session. Having been elected on January 30, naturally I have required a great deal of assistance from the senior hon. members of this House and when I turned to them for advice they have always been ready and willing to assist.

It is a great privilege to represent the historic riding of Elgin, which has been so capably represented in the past. My immediate predecessor, the late F. S. Thomas, was a most capable representative of that riding for many years. His life was one devoted to public service and he served the riding and province well—first as agricultural representative, then as a private member, next as Minister of Public Works, and finally as Minister of Agriculture.

For the last number of years of his life he was plagued with ill-health but he fought valiantly against it and his life of service is an inspiration to all of us who knew him well.

Last week the portrait of a former Prime Minister of the province was unveiled in this Legislature, and as the hon. Prime Minister (Mr. Frost) said in the unveiling ceremony, Mr. Hepburn shall be remembered as a great Canadian who added colour and vision to the political scenes of his day. The late Mitchell F. Hepburn shall long be remembered by the constituents of Elgin and by the people

of Ontario. The riding was represented for almost a quarter of a century by these two prominent men.

So, Mr. Speaker, you can understand what I mean when I say that it is a great privilege to represent the riding of Elgin. The riding is comprised of the city of St. Thomas and the county of Elgin, excluding two townships and 3 villages in the western part of the county which are included in the riding of my very good friend, the hon. member for Kent East (Mr. Spence).

As the hon. Prime Minister has mentioned, these 5 municipalities would like to be included in the riding of Elgin. It was in 1933 that the riding was so formed. They are appreciative of the high calibre of representation which they have had, but, as one editor of a weekly newspaper has termed it, they have never felt that they belonged.

The county of Elgin was organized in 1852 and was named after the Governor-General of the day, the Earl of Elgin. St. Thomas was organized as a village in the same year and derives its name from Colonel Thomas Talbot, founder of the Talbot settlement.

We have a history and tradition of which we may be justly proud. It was in the year 1803 that Colonel Thomas Talbot, a very close friend and associate of Lord Wellington, landed at Port Talbot in Elgin county and founded the famous Talbot settlement, which absorbed Elgin and overflowed into Middlesex and Kent counties.

Colonel Talbot had visited western Ontario a few years previous as an aide-de-camp of Colonel John Graves Simcoe, and had then decided to terminate his military career and settle in the wilderness of western Ontario. Colonel Talbot was responsible for the settling of many families in the area, and the hardships and suffering of those early settlers are responsible for the fertile farms, comfortable homes, prosperous villages, towns and cities throughout the area today.

Elgin county is a long narrow county bounded on the south by Lake Erie, on the west by the county of Kent, on the north by Middlesex, and on the east by the counties of Norfolk and Oxford. Bordering Lake Erie, and thereby having some 90 miles of shoreline, the villages of Port Stanley, Port Bruce and Port Burwell are popular for their bathing beaches and recreational facilities. Many citizens of the surrounding area own cottages in these villages with the result that their population is greatly increased during the summer months.

A few years ago The Department of Highways extended highway No. 73 along the beach of Port Bruce, which not only relieved the congestion of traffic but enhanced the value of the village as a summer resort. Port Burwell and Port Stanley have rather serious traffic problems.

I humbly suggest to the hon. Minister of Highways (Mr. Allan) that the situation in these villages might be handled in a like manner, an extension of highway No. 4 in Port Stanley and an extension of highway No. 19 in Port Burwell. These summer resorts are becoming more popular each year with the increase in population of this area.

Mr. Speaker, the riding of Elgin is 50 per cent urban and 50 per cent rural. The main urban centre is St. Thomas, a city of approximately 20,000 people, and known as the railroad city of Canada. It is situated half-way between Buffalo and Windsor, comparable in latitude to southern France and Italy and, I believe, it is the only city in Canada with 6 railroads running through it.

Due to the many changes in railroading during the past number of years, crews in railroad shops have been reduced. However, with a decrease in the number of men employed in railroad work, St. Thomas—with an alert city council and an active and progressive board of trade, headed by one of the top industrial commissioners in Canada—has been able to offset this change in employment by attracting a large number of industries and many American subsidiary firms.

St. Thomas is also a city of fine homes, churches, schools, business places and in partnership with the county has one of the most modern general hospitals in the province. The citizens of the city and county contributed some \$.5 million by public subscription for furnishings in this \$3.5 million institution, which was completed in 1954. This was a remarkable accomplishment brought about by public spirited citizens interested in the health and betterment of this community.

In this city we also have established, in conjunction with the county, one of the first health units in the province. Among the educational institutions in the city is Alma college, founded in 1877, and predominantly a training and cultural centre for young ladies. As many as 15 nationalities have been represented in the students studying at this institution.

Naturally, being a rapidly growing urban centre, St. Thomas does have problems. One

of the foremost is the congestion of through traffic on the main street of the city. Talbot street is a narrow street, 2 miles in length, and the traffic on highway No. 3 must pass over it. However, it has been announced that a new western entrance to the city will be built this year, and a by-pass around the city will be started, so this problem will be eliminated.

The second overhead bridge, east of the city, will soon be completed. The old bridge was the scene of many fatal accidents, and the people of the riding are appreciative of this project.

Mr. Speaker, it is rather interesting to note that one of the first macadamized roads in Ontario was built on East street in St. Thomas.

Today we have many hard surfaced county roads in the riding because of the generous financial assistance given to our municipalities by The Department of Highways. This year over \$1 million has been approved by the department for the maintenance of the roads in the city and county. Approximately one-half of this will be in the form of subsidies, and in our country there is being developed a road system that is a credit to the county and province.

This government being interested in the welfare of all people will continue to improve our highways and through financial assistance will help the municipalities build better county and township roads.

Another problem which has faced St. Thomas is an adequate supply of water. St. Thomas had its first water system in 1874 when a small dam and pumping station were constructed mainly for fire fighting purposes. The contest over the construction of this system was one of the bitterest in the city's history. In 1889 another merry battle took place when the ratepayers of the city voted to establish a modern filtration plant in nearby Yarmouth township. At that time, two daily papers were in circulation in St. Thomas and Elgin, the one supported the plan while the other opposed it. The opposition's greatest punch was a lyric which read something like this:

We will drink from the vats
On Kettle creek flats
Installed by the filtering pack

and the citizens have been doing so since without regret.

In 1921 a reservoir that held 340 million gallons was constructed, and by 1951 this was enlarged to hold another 235 million gallons in storage.

However, in the future it may be necessary for St. Thomas, along with many other urban centres, to obtain its water from the lake. I would like to congratulate the Ontario water resources commission for the very good work which they are doing in connection with problems such as water supply for urban centres.

The main town in the riding is Aylmer, with a population of some 4,000 people, and in which is located the Canadian manufacturing headquarters for Carnation milk, a plant that has been in operation for over 40 years. A few years ago, the company also constructed a can company and now the cans used in the manufacture of Carnation milk are made in Aylmer.

The birth-place of the Aylmer brand of canned goods took place in Aylmer, where one of the first factories of Canadian canners was built.

Then, a few years ago, the Imperial Tobacco Company built a large processing plant at a cost of some \$3 million, and recently it has completed the erection of two large additional warehouses. During the past year, one of the buildings used in the auction selling of tobacco was constructed in Aylmer. Three buildings have been built for this purpose in the tobacco growing area of the province, and represent an investment, I understand, of over \$1.5 million.

The growing of tobacco is an important branch of agriculture in the riding. When cultivation was first started in the early 1920's, some 1,100 acres were in production in the province, and the average yield was something like 800 pounds per acre. Now, in Ontario, there is an allocated acreage of some 113,000 acres, yielding around 1,400 pounds per acre with a total market value of some \$70 million.

It is interesting to note that, in the early 1920's, a 100-acre farm in the now tobacco producing area of our county could be purchased for from \$2,000 to \$4,000. Today that same farm, with an addition of tobacco kilns, greenhouses and pack barns, will command a price of \$60,000 and upwards.

We in the riding are proud of our tobacco growers, many of whom immigrated to this country during this century, and have made a great contribution to the economy of this province.

As a matter of interest, the federal government derives an income of some \$233 million a year from the industry, by including property taxes, income tax and excise tax on the finished product.

This year the growers have inaugurated a new system of selling their crop. During the past summer they have built 3 auction houses, and as I mentioned before, one is located in Aylmer. At this auction house, I understand, they are employing around 100 people, and are selling by bale auction using the Dutch clock method.

This system is new and has presented problems. However I have heard many favourable reports from growers regarding the price per pound which they are now receiving for their crop.

I would like to commend the hon. Prime Minister and hon. Minister of Agriculture (Mr. Goodfellow) for the very capable manner in which they have handled a critical situation in tobacco marketing in January. At that time, less than one million pounds of tobacco were being sold in a day, but after 30 bales replaced 10 on a pallet, the sales have stepped up to 2.5 million pounds and over.

Some growers have reported an increase of 5 cents per pound, in selling price of their crop compared to last year. This money is circulated throughout the area and affects the economy of the entire district.

In Elgin we have a very diversified type of farming. On the lighter land along the lake-front, with tobacco we have many fruit farms and a great deal of the crop is marketed through a fruit growers' co-operative in St. Thomas. One of the main branches of agriculture is livestock production, and our livestock are among the best of the province; demanding a ready export market and a premium price.

Milk produced in the county is manufactured into condensed milk, powdered milk and cheese. A large plant manufacturing concentrated milk is located as I mentioned before, in Aylmer, and a Borden plant manufacturing powdered milk and ice cream is situated in Belmont. Milk is shipped from the county to dairies in Aylmer and St. Thomas within the county, London, and even as far west as Windsor, and east to Toronto. In Elgin we have two of the few remaining cheese factories in western Ontario.

There is a large acreage of corn, beans, sugar beets and wheat grown annually, and a large number of commercial feeder cattle are fed each year. In addition there are some prominent turkey and poultry producers in the riding.

In 1944, to cope with a rapidly expanding agricultural economy, the farmers organized

a co-operative known as the Elgin co-operative services. In that year the business amounted to some \$.5 million while in 1957 the sales were \$4,123,000. This co-operative has a membership of 2,400 farmers and 80 per cent. of the business is done with the members. Some \$600,000 have been returned to the farmers of Elgin county in the form of patronage dividends and \$50,000 have been paid to members as interest on loan units. This year a dividend of \$60,000 will be paid to the members on the business of 1957.

The farmers of the county have invested \$93,400 as loan units in the business, and today the investment in plants, trucks, equipment and stock amounts to some \$830,334 with an earned surplus of \$344,000.

This, Mr. Speaker, is an enviable record accomplished by an alert board of directors, an active and responsible management, and by the policy of this government in loaning money to co-operatives.

In 1837, a farmer produced enough food for his family and one other person. In 1957 he produced enough food for his family and 23 other people. Farming today is big business, representing a large investment of capital in land, buildings, livestock and equipment. A farmer must be familiar with new and powerful fertilizers, insecticides, weed killers, antibiotics, new varieties of crops and modern machinery. He must be quick to fit modern discoveries into his programme, and the ultimate result is that his efficiency of operation is second to none in the agricultural world.

One of the mediums which has brought about this agricultural expansion and economy is the extension of hydro-electric power to the farms of this province. Hydro was first introduced into Elgin in 1912, and I think I can safely say that power lines are now built so that all the farmers of the county are able to avail themselves of this great commodity. Hydro has contributed much to the comfort of our farm home.

Another medium which has contributed to the changes and expansion of agriculture is the great amount of research and the emphasis on extension promoted by this government. Farming has been revolutionized during the past 15 years and today is becoming highly specialized. Through research, we have seen developed high yielding varieties of field crops adapted to wider climatic and soil conditions along with better methods of disease and weed control and easier methods of handling and producing crops and livestock.

As Ezra Taft Benson, United States Secretary of Agriculture, says:

Farming efficiency is many things. It is crops, livestock, soil, methods and men. It is machines and electric power. It is the use of adapted plant and seed varieties that will produce big yields of high quality crops. It is good rotations to help maintain and build soil fertility. It is protecting land against erosion. It is the wise use of plant food, of fertilizers, of crop residues, of lime and other soil building aids.

In the field of agricultural extension, many well-trained men and women are performing a great service to rural Ontario. In the agricultural representative branch, we in Elgin are proud of the contribution which our agricultural representative has made to the farm communities of our county. Mr. A. V. Langton received his early training as an agricultural representative in the county of Middlesex, and later served in Glengarry, so he is conversant with the farm problems throughout the province.

The junior farmer programme developed by our Department of Agriculture through our agricultural representative is making a very worthwhile contribution to agriculture. Last year there were some 161 club projects completed by 152 members in 13 4-H agricultural clubs. In the 4-H home-making clubs there were 24 clubs with 131 girls completing their projects. We also have 3 very active junior farmer organizations in the county, carrying out their slogan of self-help community betterment.

Junior farmer loans have helped many young farmers become established on farms in our county. Farming has many problems, which cannot be solved by governments alone through research and extension, but many of which must be solved by farmers themselves. Farming is a satisfying way of life to anyone who likes working with soil, plants and animals. Farmers are an independent class of citizens who are not afraid of hard work and long hours. They have no problems of air pollution, and prosperous farm families enjoy a sense of security which cannot be equalled in town or city.

Now, Mr. Speaker, I have mentioned only a few of the accomplishments of this government in agriculture pertaining to research, extension and marketing. Time would not permit, nor would I attempt as a freshman member, to outline the accomplishments of this government in the fields of education, welfare, health, municipal affairs, highways

planning and development, and in its ability to cope with conditions and problems that are characteristic of a rapidly expanding agriculture.

The people of Elgin on January 30 signified that they appreciate the capable administration of this government—a people's government—dedicated to work for the betterment of all the people of Ontario. As a freshman member, I have been very much impressed by the great amount of legislation that is being continuously introduced for the welfare of Ontario's citizens, and I, too, realize that this government is in the hands of capable men, headed by a great statesman who believes in the future prosperity and expansion of this province.

Mr. J. M. Chaput: (Nipissing): As I rise to speak, Mr. Speaker, I am conscious of the necessity to recognize your authority. I do so with pleasure, because your authority here has been beneficial to all elected representatives of the ridings of the province who make up this important session of the twenty-fifth Legislature of the province of Ontario.

Without the maintenance of your authority, and without the discipline that is the prerequisite to orderly discussion and debate, it would be impossible to transact the essential business that insures the continuing growth of our expanding province.

It is to your credit, sir, that we have, under your guidance and help, succeeded in doing what we have been elected to do. I hope sincerely that you will continue to so guide us for many years to come, and that, through the inspiration your conduct has injected into the operations of this House, we shall be capable of making Ontario a better place in which to live.

In these remarks, Mr. Speaker, I wish to compliment the hon. mover and seconder of the speech delivered by Her Majesty's representative in Ontario.

In the one case the hon. member for Peel (Mr. Kennedy) spoke the words of a lifetime of experience—a man whose knowledge of this province is second to none. I know him as a man with a gentle approach, a real Canadian whose feelings and knowledge have helped us determine a line of policy that will insure the proper and good development of the province he loves, the country of his birth.

Then there was the voice of one of our younger members of this Legislature, the hon. member for Glengarry (Mr. Guindon), a young stalwart of the Progressive Conservative party, neat in appearance and neat in thought,

who brought us the message resounding with the fervour that only youth can produce.

May I, Mr. Speaker, be permitted to say that this young man, the new hon. member for Glengarry, is a bilinguist who is a product of my own alma mater, the University of Ottawa, and that, in his debut in this House, he reflected to the full the philosophy of that great institution which rises and grows, and will continue to grow in the shadows of the peace tower on Parliament Hill.

Furthermore, I think it proper to say, sir, that from this great institution of learning shall pour out in ever growing numbers, men of good will, men of determination, to help us all in our efforts to solve the immense problems we must face now and in the days ahead.

Yours is a trying task and, as I have said before, and as other hon. members of this House who have preceded me have said, you have accomplished to perfection the duties that you have inherited from your predecessor. It is to the credit of your assistant in these duties, the hon. member for Middlesex South (Mr. Allen), that he not only has been able to do well the job he has to do but in the way he has handled his new-found responsibilities. It makes us all proud of his determination to carry on, and carry on he has.

Two hon. members of this House have been appointed to the cabinet since our last session. One is the hon. member for Ontario (Mr. Dymond), an outstanding physician by profession, who has become the Minister of Reform Institutions; the other is the hon. member for Cochrane South (Mr. Spooner), a long-time friend of mine, upon whose shoulders falls the heavy responsibilities of the Mines portfolio.

In both cases I join my fellow members in extending to the new hon. members of the cabinet my sincere congratulations and my best wishes for success in the tasks that they have accepted.

Mr. Speaker, I cannot permit this occasion to pass by without saying how sorry I was on the one hand, and elated on the other, when I learned that the former hon. Provincial Treasurer (Mr. Porter) resigned from this House to be elevated to one of the highest positions that is possible for any individual to reach within the confines of our judicial structure. May I offer my most sincere congratulations to his lordship.

To the former member for Renfrew North, my very close friend, Stan Hunt, who resigned recently from this House, I wish

success on March 31 next. If you will permit me, Mr. Speaker, at this time I would like to join with the hon. Prime Minister in extending a word of greeting in French to my good friend from the press gallery, Mr. Roland Desmarais:

Mes compatriotes de langue française, ils se chiffrent par près d'un million en Ontario, veulent exprimer ici toute leur appréciation au gouvernement que dirige l'honorable Leslie Frost. Le gouvernement progressiste-conservateur a rendu justice à tous les citoyens de la province. Je voudrais souligner ici la présence d'un représentant du journal *Le Droit* à la tribune de la presse. *Le Droit* informe de façon impartiale la population franco-ontarienne des délibérations de la législature.

Je veux également féliciter M. Roland Desmarais, représentant du *Droit*, de sa récente élection au poste de premier vice-président de l'Union Canadienne des journalistes de langue française. *Le Droit* peut être fier de son représentant à la législature de la province.

Translation

My French-speaking compatriots of whom there are close to a million in Ontario, wish to express to this House their appreciation for the government directed by hon. Prime Minister Leslie Frost. The Conservative government has done justice to all citizens of this province.

I would like to mention here the presence of a representative from the French language daily newspaper *Le Droit*, of Ottawa. This paper informs in an impartial manner of the deliberations of this House. I wish also to congratulate Mr. Roland Desmarais, reporter from *Le Droit* at the Ontario press gallery, for his recent election as first vice-president of the Canadian union of journalists, French section. The Ottawa *Le Droit* may be proud of its representative in Toronto.

It was with great regret that I learned of the sudden passing of two members of this Legislature in the persons of Tom Pryde and Fletcher Thomas.

Now, Mr. Speaker, I would like to say something that I am directing as a special message to the hon. Minister of Public Works (Mr. Griesinger) and to the architects and builders of Ontario.

In our construction industry, much of the materials employed come from points outside this province, indeed much of the stone used is imported from the United States. The varied geology of Ontario is such that we can find

the finest of materials right here within our boundaries, to satisfy the requirements of the building industry. I feel sure that the hon. Prime Minister (Mr. Frost) will agree that it would be wise and good for the province, if Ontario products entered into the construction of our public buildings and bridges, wherever that is possible.

I have been told that in Ottawa's new city hall, limestone from the Kingston area was extensively used. I read somewhere that marble from the Bancroft area was used in the Whitney block, and it is probable that the red sandstone that faces this building is of Ontario origin.

But I also know that it is so very easy for Ontario architects and builders to suggest that well-established quarries outside the province could supply them with good material at probably cheaper prices than could be obtained from available supplies here.

I could agree with some of that thinking, but I believe, sir, that if the architects and The Department of Public Works got together along with The Department of Mines, and with the help of some intelligent publicity, we could open up in Ontario a vast industry that has been neglected in the past.

In my own riding of Nipissing in the River Valley area just about 20 miles north of Sturgeon Falls, lies the source of one of the highest qualities of black granite ever produced in Canada. The qualifying remarks are not my own, they are contained in a report published in 1955 by the industrial mineral division of The Department of Mines and Technical Surveys of Ottawa.

Here is the site where the highest quality of materials for building and monumental purposes can be obtained. I have a sample here of this high quality product, Mr. Speaker, that I would like to pass around, so that the hon. members of this House can see for themselves that this indeed is a product of the highest quality. I can imagine that all of them would be proud indeed if, in the future, we could admire some of our new Ontario government buildings adorned with the products of our own native stone, such as this high quality granite from my own riding.

I would even go so far as to suggest to the hon. Prime Minister that a committee of this House would not be losing any of its time if it investigated the possibilities of using Ontario raw materials in the field of public works of this province. In the long run, accent on Ontario products would mean the

establishment of hundreds of small industries all over the province. In the case of River Valley it would mean, in my estimation, employment for at least 240 workers.

The River Valley project would be only one of the hundreds of other similar industries that could be developed across Ontario, if we could get the government, the architects and the builders proud enough, and interested enough, in our own potential in the field of raw materials to specify that Ontario building products be used in their projects.

One of the most brilliant feathers in the cap of this government is the widespread programme of access roads that now criss-cross the north. We are making it possible for people in many sectors of that vast land to get out of the state of isolation which, up until a few years ago, they feared would be their permanent lot. But the government acted, and now thousands of such people breathe easier, and have a feeling of belonging with the rest of the residents of Ontario, because they drive from their homes and thanks to an access road can get onto our vast highway system and go where they please, whenever they please.

The people of the north are thankful to this government for having made this possible, and they are not the kind of people who forget. In my own riding of Nipissing, the government which had promised such a road between Mattawa and Thorne in the fall of 1954, 3 weeks after I was elected carried out their promise. In January, 1957, the first car drove over the new road link which taps traffic from highway No. 63, the North Bay-Temiskaming highway, and brings it to highway No. 17 which services North Bay, Ottawa and points east and west.

This is one of the most scenic roads which we have in the province. It has opened up a great number of lakes and streams to the motorist and will prove invaluable to the local tourist industry.

It has also increased the flow of traffic from the Quebec town of Temiskaming, much to the relief of those good people who have taken time out to write to me and express their thanks for this government's action.

If the building of roads is a problem in the southern part of Ontario, this problem is compounded in the north where severe weather changes play havoc with all but the more super-engineered types of modern roads.

Maintenance costs are ever so much higher, not only because of frost and thaw damage, but because in my riding we normally get a super-abundance of snow, and snow clearing

is a costly business insofar as highways are concerned.

At this point, Mr. Speaker, I would like to make a suggestion to the hon. Minister of Highways (Mr. Allan).

It is this. I am sorry that he is leaving the House at this moment. However, any contract given for highway work in the northern section of the province should specify that work shall be done on a 24-hour basis, because otherwise time is lost, the road building season in the north is only half that of the south, and I am sure that all the hon. members representing northern ridings will agree with me. If such a condition were incorporated in all future contracts, such contracts would be completed at a much earlier date, and the people of the north would be spared the exasperating conditions of mud, muck and detours which now exist, because the limited work factor leads over from one short work season into another.

Mr. Speaker, the people of the north are conscious of the fact that the estimates for one fiscal year will not wait and pay for delayed action in any one rigid fiscal year of work, so I would like to suggest to my good friend, the hon. Minister of Highways, that in view of the fact that the northern regions of this province do not enjoy the type of weather that exists in his riding, it may be good for all of us if he listened to this suggestion, which after all is the key to a more realistic approach to road building in that part of the province that is northern Ontario.

While on the subject of highways, might I ask my hon. friend why it was that highway No. 64, which connects highway No. 69 to highway No. 17 and highway No. 11, which had been placed on the priority list in 1957, was taken off in 1957? Further, I do not see this in the estimates of 1958. I would strongly recommend and urge, Mr. Speaker, that this highway be renovated.

The school children from the town of Noelville, in the west end of my riding, must take a bus and travel over that road twice daily, a distance of approximately 40 miles, which makes a total of 80 miles per day. It is a very dangerous, rough road and in the spring of the year is almost impassable.

I would strongly recommend that something be done for that road in 1958. I am very happy to say that from North Bay by-pass to Corbeil, which turns at the Dionne turn, highway No. 94, work is now in progress. There is also an access road from the lookout hill, 3 miles west of Mattawa, which is being completed at the present time. However, the distance between those two

points, might be approximately 30 miles or 25 miles. I was over it last Saturday night and Sunday night, and I am sure that a trans-Canada highway—it is the alternate route, Mr. Speaker—should be in better condition.

I was happy to note the access roads which The Department of Lands and Forests have brought out to help the employment situation. There is an access road being built at the present time in the township of Papineau in my riding, and there is also an access road promised from Thorne to Rib Lake.

I was very happy to learn from the Deputy Minister of Transport that a transport driver examination centre is contemplated in the vicinity of North Bay. This centre will have a driver examiner and a clerk to conduct eye and written tests, an area of approximately 2,000 square feet will be paved where the tests may take place. A suitable building, which is now in the planning stage, will be erected some time next fall.

May I point out that this centre will also be used for re-examination of persons suspended for convictions under The Highway Traffic Act.

A new home for the aged will also be constructed in North Bay. The registry office was completed last September and was officially opened by the hon. Attorney-General (Mr. Roberts) last January. The Department of Public Works is planning to provide for the construction of public works office and stores buildings.

I am happy to report to this House that the construction to the new Ontario hospital in Widdifield township was completed on the first group of buildings. This new 1,200 bed hospital comprises the following buildings: administration, 4 pavilions, power house, kitchen and office, together with water supply and sewage disposal building and facilities.

I have the assurance of the hon. Minister of Public Works that two new pavilions will be constructed as soon as possible along with a new medical-surgical building.

I had the honour of officially opening this hospital last October 15. The first patients were admitted to this hospital on October 22. Since that time patients have either been admitted or transferred to reach a total of 593 as of February 1.

Staff members at that date were 298, broken down as follows: medical personnel, which included attendants, graduate nurses, nurses' aids, instructors and medical specialists numbering 174; maintenance staff, consisting of kitchen and cafeteria help, maids, engi-

neers and office employees totalling 154. This gives a total number of personnel of 298 as of February 1, last.

The opening of this hospital has greatly helped to relieve the shortage of space available throughout the province for persons afflicted with mental illness. It has also made it much more convenient for relatives and friends of these patients to visit them in my part of northern Ontario.

While on the subject of hospitals, might I point out that in the city of North Bay, St. Joseph's general hospital recently completed a large addition which can now accommodate 180 beds. I had the pleasure of accompanying the hon. Prime Minister last August when he officially opened the new wing of this fine institution. The citizens of North Bay and district may well be proud of this hospital.

For some years now, the civic hospital of North Bay has made application for permission to undertake a similar expansion programme.

It was pointed out to the hospital board that, by adhering strictly to the government formula of 5.5 beds per 1,000 of population, in the areas served by the hospitals, in applying this to the latest population figures available they were entitled to approximately only 53 beds. Their demands were for an additional 100 beds. Their contention was that this formula is not realistic today, in view of such a rapidly expanding area owing to the large new industries, the new Ontario hospital, and the RCAF station.

The medical staff is alarmed over conditions which may be expected following the introduction of the Ontario hospital insurance plan, which will become effective January 1, 1959.

Now, in view of these facts, I would strongly recommend that the commission give favourable consideration to the programme submitted by the North Bay civic hospital for an extension providing that the board has met the requirements of the commission.

I am proud to announce to the hon. members of this House, that an Ontario provincial police building is now being constructed in my home town of Sturgeon Falls. This building is helping to relieve to some extent the unemployment situation in that area.

In 1954, a new headquarters building for The Department of Lands and Forests had been promised for Sturgeon Falls. I have assurance that this building will be built this year, at a cost of approximately \$225,000. It will consist of an office, a large section of woodworking shops, and a section for

sign painting, and also space will be made available for research laboratory facilities.

The site of this proposed headquarters building has been purchased within the town limits on the north shore of Sturgeon river. I am sure that the citizens of Sturgeon Falls will rejoice when they see the start of that project.

In my native town of Mattawa I am happy to report that I was instrumental in having The Department of Lands and Forests reserve a site for the erection of a tourist park just below the new Otto Holden dam on the Ottawa river, and work is now in progress at this park site. It has been proposed that another park be established at Moore lake some seven miles west of Mattawa on highway No. 17. The cost of this project will be in the neighbourhood of \$225,000 over a period of 10 years. This park will have suitable accommodations for picnic tables, trailers, tents, and so forth.

Mr. Speaker, there are many other things I could say about my riding—new important industries have settled in different parts of the riding. I am looking to the future of Nipissing, with an optimistic view of the potential natural resources of my district. Its beautiful forests, lakes and streams are something that every tourist admires. I predict a great future for the district which I have the honour to represent in this Legislature.

In conclusion, Mr. Speaker, may I say that I am not only happy, but I am proud, to be a member of this legislative assembly.

Mr. H. C. Nixon (Brant): Mr. Speaker, though it may seem somewhat late in the session, I still would like to give myself the pleasure of extending solicitations and very warm regards to you in your official capacity.

My hon. friend, the Provincial Secretary (Mr. Dunbar), reminded us this afternoon that there were only some 6 or 7 of us left in this Legislature who were here in 1937, and so, irrespective of party, there are certain happy associations and memories that bind us together socially.

I am most happy to see you, Mr. Speaker, enjoying continual good health and discharging your important duties in such an able and satisfactory manner.

I am ready at any time to testify, as a member of the Opposition, to the fair and unprejudiced manner in which you discharge your duties and decisions. You know me well enough to realize that if I did not think this, I would not say it.

It has not always been so in the House, I can assure hon. members, during my stay in this Legislature. There was a reference made earlier this session to the reading of a resolution, under a former Conservative administration, in regard to an amendment on the speech from the Throne, seconded by the present hon. leader of the Opposition (Mr. Oliver).

This resolution I had moved, back in 1934, was a straight want of confidence motion in the government of that day. It was intended to be so, and one would have thought that it would have been in order under any circumstances.

But I had no sooner finished reading it to the House when the hon. Prime Minister of the day rose and demanded, Mr. Speaker, that it be ruled out of order, and it was ruled out of order immediately, and I was given 3 minutes or something to that effect—although the debate was continuing for weeks—to revise that particular amendment so that it would meet the pleasure of the hon. Prime Minister and the Speaker.

Had I considered it from that day to this, I could not have devised one that would be more in order or more appropriate to the situation of the moment.

Indeed, it was a rare day indeed as my hon. friend, the hon. Prime Minister, will agree with me, when the party steam roller of that day did not roll over and roll back again.

Hon. L. M. Frost (Prime Minister): No roller these days.

Mr. Nixon: I am bound to say to the hon. Prime Minister that, with all the temptations he has and the great majority of hon. government members, he has been extremely considerate of the rights of the Opposition.

Now I do not know whether that is a good thing for the Opposition or not, because it rather draws the venom from our attack.

In those days, the Conservatives had 91 members in the Legislature. Even this government, sir, has not reached that particular number. We were able to leave our mark upon the government—is that not the case?—to such an extent that with the wonderful campaign that our leader-at-large, the late Mr. Hepburn, was conducting throughout the province, that while there were 91 Conservatives in this House previous to the election of 1934, and only 14 Liberals, when the election was over there were only 17 Conservatives and some 73 supporters of the government of Mr. Hepburn.

So you can see, Mr. Speaker, how quickly the condition can change at times in this Legislature, and no matter how dark the situation may appear today, I, from a study of the past as well as from experience, never give up hope, because as I pointed out in this particular instance, there was a very radical and sudden change indeed.

Now there is certainly one thing that I have observed during my life in this Legislature, and before, and that is that the people of Ontario will not long stand for a Tory government in this province and another one in Ottawa. Look back over the records and hon. members will be bound to agree with me in this.

Now, therefore, one would think that with a federal election just a few days away, we might for our own selfish purposes hope for a Conservative victory at Ottawa. I say this because certainly, then, the government of Ontario would find it difficult indeed, as times become more and more depressed—as they will under two Tory governments in this country—to blame their opposite number at Ottawa. Therefore the fortunes of the Liberal party in Ontario must necessarily be enhanced.

But I feel that it is too great a price for this country to pay for our personal benefit, and I certainly intend to do my best next Monday to see that it does not happen.

Now like the hon. Minister of Education (Mr. Dunlop), I have always been a great admirer of the hon. leader of the Opposition, the hon. member for Grey South. One of the happiest memories that I will carry with me to the end of my life is my association with him since he came into this House, I think in the election of 1926.

At that time, he was just 22 years of age.

He has made a great contribution to the deliberations of this Legislature in all of these intervening years. He has been a member of 3 governments, and is a man of vast experience and outstanding ability.

We can all agree, I am sure, Mr. Speaker, that he is never addressing this House but what we listen with almost amazement, and marvel, at his ability in debates, and sound views on all subjects that come before the House. It has pleased me indeed, under these difficult circumstances which we as a party are going through in the House, to hear the many marks of commendation in his direction, not only from hon. members of this party but from my hon. friend from Renfrew South (Mr. Maloney), and many others.

I say this because it is true that we are now facing a crisis in the matter of our political organization, and my hon. friend has seen fit to say that in his opinion it was time for a reassessment or reappraisal of the leadership of the Liberal party, and the policies of the Liberal party before the next provincial election takes place. To that end, a leadership convention will be assembled in this city on April 18.

I do not think that when that date was set there was any knowledge that there was to be a federal election on March 31. But I for one am happy to say that I have been extremely proud of the leadership given by the present head of our party. For myself, personally, I would be extremely happy to serve out the rest of my public life—whether it be short or lengthy—on this side of the House or on that side of the House, under his able leadership.

But, Mr. Speaker, I would not certainly count him out even yet. It is a perfectly democratic procedure, I take it, just as democratic as it is for all the hon. members of this House, when this Legislature is dissolved—which we are informed will be very shortly—and the new election called, we all present ourselves to the conventions of the electors in our ridings for re-endorsement, or otherwise, as the official candidates of our particular parties.

I say it is just as emphatic in the process, for the hon. leader of the Opposition, when this convention is called on April 18, to again present himself among the others and I hope he will do so—for re-endorsement by the Liberals of Ontario as their leader in this Legislature and throughout the province at large.

Now, Mr. Speaker, many hon. members have spoken with pride of their constituencies, and properly so. I have listened with a good deal of interest to the hon. speakers who preceded me on this particular matter.

I also am very proud—and with justification, I think—of the great riding of Brant that has so honoured me in these many years.

Now every riding, of course, is supposedly the best riding according to the hon. member who represents it, and some of them also have the distinction of being great historic ridings. But certainly I can claim both for the riding of Brant. It was named well over 100 years ago now. We celebrated our centennial some few years ago, and we were proud to have the hon. Prime Minister with us at that time.

Brant was named in honour of, and to commemorate, that great Indian chieftain, Captain

Joseph Brant, who, in the American revolution fought with the Six Nations Indians with much distinction, on the side of the British Crown.

The cause was lost, certainly through no fault of the Six Nations Indians, or the brilliant leadership of Captain Joseph Brant. Actually, if the Imperial forces had been led as brilliantly, there might well have been a different outcome.

Captain Brant and his people were dispossessed of their land in New York and Ohio states, and along with my own great grandfather he came to Ontario as a United Empire Loyalist. King George III himself, by Royal decree, gave a great tract of land to him and his people, which extended 6 miles in width on each side of the Grand River from its mouth to its source.

Now, I think that would have taken us even up into your county, Mr. Speaker, but, of course, the Indians feel that they have always been swindled out of their possessions, as they generally have in years past, and when they came to survey this tract they found the government did not own it all to give away. In fact, it had only been cleared—by treaty with the Indians possessing the lands—to the neighbourhood of Guelph, so that from there on up into your county, they never really had title to the land at all.

Joseph Brant said that the land itself was of no use to his people, and that for fishing and hunting they had the use of the land anyway, and they certainly had no thought of farming it. They were not given to that particular way of life.

So Captain Brant proceeded to dispose of this tremendous tract, starting at 600,000 acres by lease and by sale, and in other ways, until he had narrowed it down to the 40,000 acres which now constitutes the reservation of the Six Nations Indians.

To show just how generous and lavish Captain Brant was in the disposal of these lands, he sold two great tracts of land which are now North and South Dumfries, two great townships, for £8,000 and he received nothing whatever for it except an IOU.

In the course of a few years, it changed hands several times until it was obtained by the hon. William Dickson, a member of the Upper House of Upper Canada, for the sum of £24,000, so that much more was made by speculating in the land than the Indians received for the land in the original instance.

When my own grandfather came to Brant county in 1839, he obtained the farm upon

which I now live for the sum of £212 for the 200 acres.

So hon. members can see that the price of this land increased quite rapidly, but unfortunately the poor Indians did not get much benefit from it. As a matter of fact the people who bought these lands or leased them were not paying for them, and the government of the day set up a commission to look after their affairs, and this commission got all the money they could from those purchasers or the lessees and invested it in Grand River Navigation Company.

Now, Mr. Speaker, the Grand River Navigation Company was not a financial success. We have heard a great deal about the condition of the Grand River, but it has never been in connection with navigation, and that money was all lost.

The Indians claim that the federal government of Canada have a responsibility to them to make good on this money which they invested so unwisely and lost; they have a claim of \$3 million against the federal authorities, and I am surprised that Rt. hon. Mr. Diefenbaker has not already hastened to pay off that claim.

Hon. Mr. Dunbar: Give him time.

Mr. Nixon: I was interested in the remarks of the hon. Minister of Education on his estimates with regard to the increase of the Indian children of this province. I have spoken before on this question, and I had thought to address a few remarks to the House on that subject.

I am sorry that more progress has not been made in this respect because I feel that it is an unnecessary and ineffectual duplication of services between the two governments, when we have all the rest of the children of this great province, probably totalling 1.3 million or 1.4 million, under the one system of education supervised by The Department of Education, and a federal set-up to administer the education of 4,000 or 5,000 Indian children.

I had hoped up to a few years ago, that some progress might be made in placing the education of the Indian children under the same system as all the rest of the children of the province.

I think that it is the starting point on which we must work, to see to it that our Indian people receive the benefits of the great expansion and improved prosperity and living conditions that the rest of us have enjoyed in recent years, and of which they have had a very small part indeed.

I have never suggested to the hon. Minister that to achieve this it would be necessary for The Department of Education to actually take over the physical assets, like the school houses and so on. There is no reason why the Indians cannot set up their own school boards, and I can certainly assure hon. members that on the reservation of the Six Nations—the Iroquois—in Brant-Haldimand, we could get just as capable a board of education to supervise the education of that area as we can in any other section in the province of Ontario.

There are certainly some very able, talented and competent Indian individuals who could look after that matter, and the federal Indian affairs branch could provide that board with the money to pay for the cost of education.

Indian schools as such would disappear. They would simply become part of the school system of the province of Ontario, and I can assure hon. members that this would better the education of these children.

Neither have I suggested that it would be necessary for the children to be loaded into buses and taken away from the reserve for their education.

In dealing with this matter very briefly, I would like to mention the passing of one of the outstanding citizens of Brant county, one who was born on the reservation, and educated in the schools.

I refer to Magistrate O. M. Martin. He was a veteran of the two World Wars. Before enlisting in World War I, Magistrate Martin was a school teacher on the reservation. After enlistment, he rose rapidly, and before the end of World War II he attained the position of brigadier in Her Majesty's services.

Subsequently, he was appointed to the position of magistrate here in the city of Toronto, and discharged those important duties with great capability and distinction to the date of his death.

Just a few weeks before his death, I had the honour of being with him at the unveiling of a plaque to the great Indian athlete, Mr. Tom Longboat, at Ohsweken, and he then delivered a very stern and most able address and it was with deep regret that we learned of his untimely death.

Now, I am very happy to acknowledge that during the last two sessions of this Legislature, we have done a great deal for the Indians of the province of Ontario—possibly as far as we can under the Constitution, in many ways. But much should still be done.

In addition to this question of education, that I have touched upon, they are certainly badly in need of better roads.

This reserve is located in a highly industrialized area. There are splendid roads on all sides of it, and because it is the short-cut across the country, the roads are used a great deal by other than those living on the reserve.

A part of the Six Nations reservation is in the riding of my hon. friend, the Minister of Highways (Mr. Allan). I had hoped that, before this, in some way—and he seems to have the ability of getting things done, if he wants to do them badly enough—we would see more improvement than we have on the roads of the reservation.

Hon. J. N. Allan (Minister of Highways): Mr. Speaker, are we not doing very well there? We are building that main road and our only limit is the amount of money that the federal government, through their immigration branch, would contribute.

Mr. Nixon: Yes, I admit there has been some progress. We had a 3-year programme on that main road, and they were able to proceed for two of those years. Then the money somehow ran out and, from Ohsweken east to the highway, they were not able to carry on.

Apart altogether from that main road to the 69 corners, and on up to Ohsweken, the other roads—my hon. friend will admit, even in his own riding—could do with a whole lot of improvement.

I know the hon. Minister is ready to pay 50 per cent. subsidy on the work that the Indian affairs branch decides to spend. But possibly he might use a little of his well known affability and influence in certain quarters to have even that done more rapidly.

Hon. Mr. Allan: I have been trying that.

Mr. Nixon: While the hon. Minister is at it, a nice bridge across the Grand river just north of Oshweken would be very greatly appreciated, I can assure him. It is a long way from the bridge at Caledonia to the next bridge at Brantford, and these people own land on both sides of the river. There used to be a ferry there which was operated by a crank and a chain, but even that got in such a bad condition that people would not trust their cars on it. And now they have to drive probably 30 miles to visit their relatives across a stream where they could shoot an arrow across, as the crow flies, or as the arrow flies. A bridge there would be greatly appreciated, and would serve a useful purpose entirely apart from the benefit to the Indians themselves.

Mr. F. R. Oliver (Leader of the Opposition): Make it a toll bridge.

Mr. Nixon: Yes, even make it a toll bridge, as has been suggested. I have paid toll there many a time to go across on the old ferry.

Before dealing with the budget, I would like to make a few comments on the rural way of life, Mr. Speaker, and that should be a very appropriate subject here. We have had some very interesting debates on this subject, and I do not know that I can add much to the store of wisdom, but I can assure hon. members that it is a subject which is certainly very near and dear to my heart.

I was rather interested in an excerpt from an article by our good friend Gordon Sinclair, in *Liberty* magazine. He said the farmer is the captain of the good earth, he is the one essential man without whom no city dweller can long survive. He gets no paid vacation, no 40-hour week, no pension scheme, and no paid time off for illness. No Canadian has more built-in integrity and self-respect than the farmer, but he gets the worst of the deal of any citizen in this rich land.

Now that sounds pretty bad, but one is always interested in the views of city people as to rural life, and I can assure the hon. members that, although some of this may be true, farming has many compensating advantages.

I was home over the weekend and the sun was shining on both sides of the fence, the wheat was all "greened up" and the grandchildren were playing on the lawns, and all in all it was a most beautiful and happy experience. It was only with the greatest difficulty that I compelled myself to return to these important duties last Monday.

I had the opportunity to walk all over the farm, and the hon. Minister of Agriculture (Mr. Goodfellow), I am sure, will be pleased to know that the wheat has come through the winter splendidly, there has been no heaving. The new seedlings have not been destroyed by the winter. There is every prospect of a bumper crop. It evidently has been a most satisfactory winter. I am not one who is always persistently complaining about the weather.

In this, I think perhaps the present hon. Minister misses a few good opportunities. His predecessor the hon. member for Peel (Mr. Kennedy) never missed an opportunity to take credit for the weather, and certainly under such good conditions that we have existing now in the early spring, he would certainly have been commenting on it.

I can remember, under the former Minister, we never enjoyed a good shower of rain when it was needed but what there was an official statement that there was a \$5 million or \$6 million rain, and we farmers would say, "Thank heavens, we have someone there who is looking after our interests with the powers-that-be."

Maybe the present hon. Minister is missing this opportunity. He can help us out, though, very considerably I am sure.

The hon. member for Peel in his interesting address at the beginning of this session, in moving the speech from the Throne, said that he had not grown wheat for many years, that he found it unprofitable to do so. Of course, I do not know what one could grow on the land that he held. That property was worth so much money that he could not grow anything to show a return on the investment.

But with us it is a little different. As a matter of fact, I take more pleasure in a good crop of wheat, I think, than anything else we grow on the farm. It distributes the labour over that part of the season when conditions are ideal for sowing the crop, and then when everything is sere and brown in the late fall these fields of wheat are a beautiful picture indeed.

The early snow comes and certainly if you have a good mat of wheat on the soil you are not going to lose the very valuable top soil by erosion washing it away.

It produces a paying crop. Taken year in year out over the 120 years that my family has farmed that land, I suppose fall wheat has paid about as well as any other crop. But the prices are low and the cost of producing is increasing all the time.

Now that we have the wheat marketing scheme which was carried by such a large vote recently, I hope the hon. Minister will be able to co-operate with the new board and see to it that the farmers who are in this business of producing wheat get a reasonably satisfactory price.

There has been a great deal of talk about contract farming, particularly in the Legislature this session. But it is something that I certainly am not afraid of. I am not afraid of losing my independence as a farmer. If I happen to be able to get a little better price for my produce by signing a contract, than if I gamble on the open market which very seldom pays off, I am willing to settle for security and certainty rather than to take any such gamble.

Now just with respect to contract farming, maybe I do not clearly understand just what

the people are talking about. There are various degrees, I presume, of contract farming but I have always thought it was a good thing. I hope the hon. Minister will not start passing any laws which are going to put this contract business out of our reach, because he would certainly have me on relief in very short order.

When I first took over the responsibility of the old family farm in 1913, the very first thing I did was try to get the buildings in shape, and improve the surrounding yards and so on, so I could secure a milk contract in the neighbouring city of Hamilton. Ultimately, I was able to do that. That contract has now continued for over 40 years, and I have found it most satisfactory indeed. In fact I do not know what I would have done in the days of the depression and other times, even before that, without such a contract, and I have always thought that the dairyman farmer was to be envied if he was able to get himself into that position.

Hon. members might be interested in a little history. When I first took over the farm, times were not particularly good. That was another time when we had the Conservative government in Ottawa and here in Toronto, and my father had heavy obligations, so I only received a third of what I could make off the farm.

I sought to augment this a little, because after all I was a graduate of the Ontario agricultural college; with what is supposed to be as a Bachelor of Scientific Agriculture degree. So I took a part-time job with the government.

I used to go around to farmers' institute meetings and fall fairs and so on, and in that way I augmented the revenue from the farm.

But in 1918 I received a letter from the "top brass" of The Department of Agriculture, saying they had notice that I had accepted the nomination to run for the provincial Legislature for the United Farmers of Ontario in my riding of Brant, and therefore my services would no longer be required with The Department of Agriculture. It was my first run-in with Tory patronage in the province of Ontario.

Consequently, Mr. Speaker, I had to depend entirely upon the revenues from the farm again, with a family of 3 children, and I was glad indeed to have the good old milk contract to fall back on.

Now, as I have said, I have never felt that by agreeing to such a contract, I was losing my independence in any way, or that I was endangering the operation as a family farm.

On the contrary, we have always found it possible to provide work for an unlimited number of children, and I can say for myself that I have never known what it was to be out of a job since I was 5 years old. Although someone may pass the observation that by time of the next election I will be out of a job, no matter what happens then, I can assure them that there will always be a job waiting for me on the old farm.

As the years pass by it seems to me that I look forward with more eagerness to the return of each seeding than even previously, and I would ask of the kindly Providence, who has never failed in the carrying out of a seed time and harvest, that even at my advanced stage of life I might have a few more in which I could assist in the spring seeding, because there is nothing that gives me more pleasure than to break the good ground and put the seed in and watch the crop developing to the harvest.

With the children that is always an interesting occupation. There is no better place in the world, Mr. Speaker, to bring up a family.

I have had quite an opportunity to be observant because, as I have said, we have lived there for 120 years—5 generations—and at 67 years of age I was exactly in the middle, so I could observe both up and down, and there is always plenty of opportunity to interest the children in necessary activities—and there are lots of them—so that our problem of juvenile delinquency is kept to an absolute minimum. In 5 generations we have had nothing that a short visit to the woodshed could not permanently cure.

So as I say, there are many compensations of living in the country, and if I could live my life all over again, I would not dream of changing farming for any other occupation in the country. Even though the times are more difficult than they were in the past, the price squeeze is making it hard for many farmers to get by, certainly with my experience in contract farming, I would say that any farmer who can get a city milk contract, and produce 500 pounds of milk a day at prevailing prices, should be well away towards meeting these new problems.

In this connection I want to make some reference to the formula of pricing.

We have heard a great deal about stabilization prices—floor prices—for farm products, Mr. Speaker, and personally I am not too optimistic as to the manner in which the recent legislation at Ottawa will work out. Stabilization prices and the floor prices undermine farming. Certainly, I have no great

hope that a floor price existing of 80 per cent. of the average price per week, during the last 10 years, will give us any great lift with this year's wheat problem even with the new wheat board.

But The Department of Agriculture over a number of years has worked out a system of formula pricing for fluid milk sold on the city market, and it has been the feeling of many agricultural organizations that this system of formula pricing must be carried much further than with the one product of fluid milk sold on the city market.

I think that is what they were desiring in their representations to Ottawa when the stabilization price legislation was under consideration.

In 1951, at the request of the Ontario milk producers' league, a study of the possibilities and desirability of introducing the pricing of fluid milk to the producer by formula was undertaken by the office of the dairy commissioner. The then hon. Minister of Agriculture (Mr. Kennedy) at that time appointed a special committee to study the methods of arriving at a price.

The chairman of that committee was Mr. Biggs, the dairy commissioner of the province of Ontario, and the members were Dr. E. C. Hope, economist of the Canadian federation of agriculture office at Ottawa, Dr. H. L. Patterson, director of the farm economics branch, and Professor Drummond, the head of the department of agricultural economics at the Ontario agricultural college.

A thorough study was made of all existing formula pricing methods in use in various markets of the United States, and it had progressed in the country to the south of us to a very considerable degree, and was working out very satisfactorily.

The study was made by the committee of all the factories which entered into the pricing of fluid milk to the farmer in the province of Ontario. Special attention was given to the selection of an indicator which would best measure the change in farm production costs.

Formula pricing of fluid milk is an attempt to relate automatically the price of fluid milk to demand and supply conditions. Negotiations which may require large amounts of time, and possibly create suspicion, would be eliminated, and prices would be determined by the combination of industries described below.

Formula pricing is used in 49 markets in the United States including Chicago, New York and Boston.

Formula pricing was first considered in Ontario in 1951, and since that time a com-

mission or committee of economists have met from time to time to examine various formulae in an effort to find one that is satisfactory.

Now this is a formula that was recommended. The indicators were 6 in number. The wholesale prices in Canada, on the Dominion bureau of statistics were given 20 points. The weekly earnings Ontario DVF were given 20 points; commodities and services used by farmers in eastern Canada, Dominion bureau of statistics, 30 points; the price of butter fat, Ontario, in the dairy branch, 10 points; price of condensed products, Ontario, 10 points; the price of cheese from the cheese boards, 10 points. This totals 100.

The wholesale price index was chosen as an indicator, because it moves with the general economic conditions and reflects the demand for all products including milk. Now a base was selected, the base period should be as recent as possible.

After considering several periods, the committee chose 1947 to 1952 as the base, because this period was after the war. It included one year of declining prices as well as several years of rising prices and was long enough to eliminate any short fluctuation.

Now the method of calculating this formula is very complicated, and I will not attempt to deal with this in detail. But the fact is that it has worked out amazingly well. The committee considers that price changes should be in fairly large steps, so that they would not occur too often and thereby upset the producers, distributors and consumers.

It was suggested that any changes in the price paid to producers should occur when formula indicated at least a 19 cent per 100 pounds movement, either up or down.

Thus with the price of \$4.53 per 100 pounds, no change would occur until the formula showed either \$4.72 or \$4.34.

Now, I do not propose to go into this matter any further. This bulletin is a little old, but I do not think, however, that it is out of date entirely, and as I say it has worked out remarkably well.

Before this system was adopted, almost every year, when the spring came along, cattle were turned out to pasture and the milk increased slightly. Then there was a demand for a reduction in price, and there was recrimination and difficulties of all kinds, and the same would occur again in the late fall when the farmers sought to have the price put back again in order to keep up with the cost of production.

This situation has largely been eliminated by this formula, and I hope that it will continue indefinitely.

Almost every month some publicity is given to the cost of living and the position of the formula, and before it reaches the 19 cent differential, everybody is more or less expecting the change that is coming about, and there is no particular criticism.

So much for the milk contract system of farming. I have found it most satisfactory indeed, and those with whom I come in contact in the same activities will bear me out in this, I am sure.

Another system of contract farming that I had some experience with, and I am glad to say a little more favourable than that of the hon. Minister of Agriculture, is in the production of canning crops. For some 20 years now, I have personally grown canning-factory peas, and for many more years the sweet corn for the canning factories. Under the plan of the marketing board we have worked out a solution to our pricing difficulty which, here again, has been fairly satisfactory, and it is sold entirely on a quality basis, and definite prices are agreed upon before the spring seeding time of the year.

Last year, for instance, everything of a better quality than 85 on the tenderometer ring was paid for at \$150 per ton; 86 to 90, \$124 per ton; and it went on to 126 up, so the crop is priced on that quality basis.

The point I want to make is that we know beforehand—before we even have this expense of seeding and fertilizing the ground—what we are going to receive for the product when it is harvested.

There is an old saying that good understanding leads to long friendship, and the relationships of producer and the processor, or the contracting corporation, have always been most pleasant.

Now I deprecate the attitude that seems to exist in some places that there must be friction between the producer and the processor who buys his product. That has not been my experience, or the experience in my community, at all, and we appreciate having these industries located in that particular area, and do our utmost to get along with them.

For instance, Mr. Speaker, just recently a new canning factory was established west of Brantford on the old airport known as the York farms, and last year—although it is not the largest probably in the country, it is certainly one of the most modern and efficient—they distributed \$612,552 to the

farmers in a very small community for the peas and the corn that were processed there.

Incidentally, hon. members might be interested in knowing that the management of this plant is under the very capable direction of the brother of our hon. Minister of Public Welfare (Mr. Cecile).

They built a new and most modern freezer, which cost more than \$.25 million, and it has a capacity of freezing 4 tons of products per hour in a continuous process.

We think that this is a very fine industry indeed, and any time the hon. Minister of Planning and Development (Mr. Nickle) knows of some industry that is interested in processing farm products, I can assure him that we have room for them yet, up there in Brant. We will welcome them with open arms, we will get along well with them, and we will furnish them with any required amount of the various produce that they can find anywhere in the province of Ontario.

I am not worried about the contract speeches of this great canning era, Mr. Speaker, but I am worried that, in these depressed times, people are not using enough of our products. I note with regret that one or two canning factories do not propose to operate this year, and I am afraid that with many others there will be a greatly reduced acreage.

Now, Mr. Speaker, I presume when a member speaks on the budget debate he ought to at least say a word or two about a budget of my good hon. friend, neighbour and to mention a few brief points that have struck me about this particular document; although after the very able criticism of the budget of my good friend, neighbour and colleague from Waterloo North (Mr. Wintermeyer), there is little required indeed from me in additional criticism of the budget. I certainly want to congratulate him on his splendid address in opening this debate.

Before I go any further in this matter I want to note that the hon. Provincial Treasurer and Prime Minister, when he finds it impossible to defend, always attacks. Now that is certainly a very good strategy. He says: "Why look at the way that old Grit government carried on in this province years ago. All the money they spent for capital, they added to the debts."

Now, my recollection of that is not exactly in accordance with what he said, Mr. Speaker, so I went to the trouble of getting Mr. Clare Gordon's last budget speech from the library, and this is what he had to say: To start

with, there was an overall surplus, my hon. friend will remember that.

Hon. Mr. Frost: I have had two or three of those, too. Not lately though.

Mr. Nixon: Not lately; the hon. Provincial Treasurer is a long way from it now.

The foregoing statements of expenditure and revenue, both on ordinary and capital account, show an interim overall surplus for the fiscal year ended March 31, 1943, of \$20.7 million. This is the overall surplus. Ordinary revenue of \$115 million; capital revenue of \$32 million; or a total revenue of \$147 million. Expenditures totalled \$127 million, so that there was an overall surplus of revenue over all expenditures of \$20.7 million.

So, Mr. Speaker, far from adding all of our capital expenditures to the debts, we not only paid it all out of current revenue and capital revenue, but we actually had an overall surplus of \$20.7 million, and then the indirect debt, contingent liability.

Hon. Mr. Frost: Of course, that is only in one case. In taking the 9 years—

Mr. Nixon: He said that there was not another reference to an overall except this last one, if I remember correctly.

Hon. Mr. Frost: Well, on my—no, I guess that is—

Mr. Nixon: Well, do not try to trim on this, now that I have gone to all the trouble to get it.

Hon. Mr. Frost: I point out to my hon. friend that on that budget the government of the day went out of office.

Mr. Nixon: Oh, well, I do not know, Mr. Speaker, I do not know. Is that an admission that we are going in debt by \$100 million just for the sake of winning this next election which is taking place? Surely my hon. friend is not saying that by increase—

Hon. Mr. Frost: Oh, no, but I—

Mr. Nixon: I think that we are all interested in doing a good job for the province of Ontario, and let the chips fall where they may when the election comes along.

Hon. Mr. Frost: I would like to point this out, that the people at that time expressed their disapproval of piling up huge surpluses. They want the work done, not higher surpluses.

Mr. Nixon: Well, we did have an overall surplus. The hon. Provincial Treasurer will admit that.

Hon. Mr. Frost: Oh, yes.

Mr. Nixon: And then the indirect debt was reduced by \$2 million. The next debt was reduced by \$9 million; and the next debt—we have heard so much about the next debt that was reduced by \$3.8 million, and as the hon. Provincial Treasurer says the gross debt was reduced by \$20 million.

Maybe we were too tough, and the people did not want their debts paid off, but the hon. Provincial Treasurer certainly found the finances of this province in a whole lot different shape than we found it when we came in 1934, he will admit that.

Some time when he wants to go back and point—he must go back and point out what was happening under the Henry government, when every dollar they spent for relief purposes in this province was called a capital expenditure, and was added to the debt.

For the information of the House I desire to table an interim statement of the gross ordinary revenue for the fiscal year April 1, 1941 to March 31, 1942.

As for a previous overall surplus, we will note that, in the last budget address of the hon. Mitchell Hepburn, on page 1,922; the total ordinary revenue for that year is estimated to be \$120 million, and the overall surplus—total of ordinary and capital revenue—\$140 million, total capital in ordinary expenditures, \$139.445 million, giving an overall surplus of \$1.383 million so that there were overall surpluses even before Mr. Gordon's budget speech, and in the one or two that the hon. Provincial Treasurer had in the early days of his Treasuryship of the province, when he was more economically minded than he has been subsequently.

But he certainly started out with the finances of this province in a very splendid condition, and the debts were being reduced and were certainly under control, which is more than I can say for them at the present time.

Now we have just this afternoon, Mr. Speaker, finished the voting of the estimates, and hon. members will note on page 5 that these total \$932,946 million, so we are getting these pretty nearly up to the billion point as well, and with the supplementary estimates that we voted this year which will undoubtedly be added to these estimates next year—we will have it just about on the billion mark. Everything will be big and much more easily remembered when we get into the

billions than when we are only talking in these little sums of \$990 million being voted in the estimates.

I wonder if, sometimes, the hon. Provincial Treasurer is not just a little uneasy as to where we are going in this question of public expenditure, because it is to my mind at least an alarming situation when we have the debts piling up as they have during the last few years with no effort to control them.

Now last year, when we had a different Provincial Treasurer than my hon. friend, the Prime Minister, he was taking a more liberal view of these matters. He is reported as having said that the 10 surpluses are maybe unreal. The hon. Prime Minister has admitted his government's budget surplus since 1948 might not be real ones.

Hon. Mr. Frost: Who said that?

Mr. Nixon: The hon. Prime Minister did.

Hon. Mr. Frost: No, I did not say that.

Mr. Nixon: Well, I will send this over to him after I have finished reading it.

Hon. Mr. Frost: I could not have been correctly quoted.

Mr. Nixon: I asked in the Legislature yesterday what he thought of a Conservative hon. member's charge that Ontario is acutally going \$45 million a year deeper in debt, he replied: "There is a great deal in what he says." There certainly is no doubt about his going into debt by \$45 million last year and this year, and he is going \$100 million deeper on the next debt.

Now, Mr. Speaker, let us take the budget which was presented. I would say that the hon. Prime Minister returned to this job as Provincial Treasurer and, returning to this job as Provincial Treasurer, certainly did the best possible with a very difficult job. He has developed a technique such as I have not seen with any other hon. Provincial Treasurer, neither here nor at Ottawa.

He first lays this great document upon the table, and then proceeds to present a second budget address, to some extent "off the cuff," and any similarity that it bears to this original document, I can assure him, is purely coincidental.

But whereas this document would not give the troops much opportunity to cheer, the budget address which he delivered does give them a little chance once in awhile.

However, I think this year he missed out on one of the best opportunities. He could easily have said: "There will not only be no

new increased taxation, but there will actually be a reduction in taxation."

Mr. Oliver: He did not know it at the time.

Mr. Nixon: No, but he leaves it to the hon. Minister of Highways to slip onto the table yesterday this great reduction in taxation of the tax on diesel fuel oil from 20 cents to 18.5 cents. Now, see the cheers that the hon. Prime Minister might have received. Of course, we are not supposed to remember that last year he increased it from 11 cents to 20 cents.

Hon. Mr. Frost: I was taking a statesman-like attitude.

Mr. Nixon: Now, I understand the cost of diesel fuel oil is about 18.5 cents and the tax is about 18.5 cents, so it is 50/50 each way, the tax is 100 per cent., and certainly everybody should be happy.

Now, Mr. Speaker, if we take the budget, the net ordinary and capital expenditures for 1957-1958 estimated at \$758 million, including \$75 million for sinking funds—highway construction account—and according to a statement on page A-5, there is 45.4 per cent. of the capital expenditure to be paid for out of current income.

This seems to be dwindling down from what the hon. Provincial Treasurer used to boast about—paying over 60 per cent. of capital expenditures out of income—and the budget for 1958-1959, the estimates for which we have just voted, a total of \$39 million, then that is crossed out and \$23 million written in with a pen.

That amount of money is to be paid on capital expenditure out of ordinary revenue, and we find on page A-16, that this has shrunk again from 45.4 per cent. to 33.9 per cent., and I can see, if that is to be continued, it will not be long before this present government will be in the position the hon. Provincial Treasurer said the Liberal government many years ago was in, where they are adding all of their capital expenditures to the debt.

There are just one or two matters that I would like to draw to the attention of the House in connection with the debt statements, and I will close my remarks in a very brief moment.

The hon. Provincial Treasurer certainly did not stress the gross capital debts at all in his presentation of the budget. As of March 31, this year, these will amount to \$1.315 billion, and that is an increase of \$118.5 million over

last year so that our gross debt has increased this year by \$118 million.

Then our net debt which is now at \$858 million, will also be at \$1 billion next year if the rate of increase continues proportionately to this.

That has increased this year by almost an even \$100 million, Mr. Speaker. It is priced like a bargain in Eaton's basement, \$99.6 million, but for all intents and purposes we can call it \$100 million increase in the debt.

I wonder if the hon. Provincial Treasurer actually read all of this budget document? Yesterday I wondered, if he had read it, if he would have made the statement he did about the municipal improvement corporation loaning so much money to the municipalities of the province, because right here we have the statement that they have loaned only, since their inception, some \$37 million.

Now just in conclusion, I would like to hurriedly turn to another statement, that I wonder if it was not put in here by officials of the brains trust just in the hope that the hon. Provincial Treasurer might see it and get a little uneasy at the way the net debt is increasing, because it gives 5 years on page A-50, 5 years of the increase in the net capital debt. It is now, as I have said, increased this year by \$100 million, last year by \$52.9 million, the year before it increased by \$44 million, the year before by \$40 million, and in 1953-1954 it increased by \$25 million, so that in these 5 years the increase in the net debt has totalled \$253 millions.

So, Mr. Speaker, I do submit that it is high time that some check was made on this ever-mounting net debt of the province. The hon. Prime Minister has said if he only had another \$1 million from Ottawa we would be in good shape. This year, he had \$103 million of revenue more than he had last and still we go into debt to the tune of an extra \$100 million. It seems to be impossible, no matter how much money comes in, to balance our budget or even control the mounting debt.

Hon. Mr. Frost: I would say that we could avoid that \$100 million increase by cutting into our capital expenditure. Now would the hon. member for Brant want that or does he think we should do that?

Mr. Nixon: Well, what I am saying—

Hon. Mr. Frost: That is a simple question. We can balance the budget and—

Mr. Nixon: He is spending the money today that posterity will have to pay.

Hon. Mr. Frost: But look at the assets.

Mr. Nixon: And people will have their own problems, Mr. Speaker, in their day and generation, I am very sure, and it is certainly too bad that their posterity is not here today to see what is going on. The hon. Prime Minister is spending their money.

I do say, Mr. Speaker, that this spending spree that has reached such astronomical proportions has to be checked. Even if the hon. members opposite cannot do so, some

day in the very near future the people of this province, as they did in 1934, will decide that the expenditures of this province are going to be brought into some reasonable relationship with the revenues. They will call upon the Liberal government to do this job for them. Believe me, they will be just as capable of doing it as was the Liberal government of Mr. Hepburn in 1934.

It being 6.00 of the clock p.m., the House took recess.



ONTARIO

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OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Tuesday, March 25, 1958

Evening Session

Speaker: Honourable The Rev. A. W. Downer

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, MARCH 25, 1958

8 O'CLOCK P.M.

The House resumed.

ON THE BUDGET

Mr. N. Whitney (Prince Edward-Lennox): Mr. Speaker, it is an honour to take part in this budget debate, but before doing so, I would like to add my own congratulations and appreciation for the wonderful job that you are doing. I noticed your graciousness speaks for itself and all hon. members of the Legislature must appreciate deeply the great efforts you make to assist them in every way possible.

I likewise would like to compliment the Deputy Speaker, the hon. Ministers who have presented estimates during this budget session, and all speakers who have taken part in a Throne and budget debate. I think that the speeches have been of unusually good calibre this year.

Now as we are speaking on the budget, I would also like to compliment the hon. Prime Minister (Mr. Frost) on his budget. It is in keeping with the budgets that we have had for the last 10 years, and that is a budget which shows the faith that this government and our hon. Prime Minister have in the people in Ontario. It shows the knowledge of those things they require, it shows a desire to serve the people, it shows their willingness to change where changes justify and it shows that there is a desire that this province shall progress to that great destiny which it so richly deserves.

We could give examples of that in the changes that we have had in education grants. This government has taken into consideration the difficulties that our rural areas, our built-up areas, have had when they suddenly found themselves with an urban population settling there. Our Department of Education and this government have considered that difficulty, and the difficulty of financing their schools, and have endeavoured to give equal opportunity for education all over this province, which is something completely unknown previous to this government.

This forenoon, I listened to the explanations that were given regarding hospital insurance.

There again the government pioneered and went ahead with something that was talked of for 20 years, and it is another evidence of the service that is being given to our people.

Now, I have listened with some interest to the criticisms that have been levelled at this government. I listened particularly to the criticisms of the hon. member for Waterloo North (Mr. Wintermeyer) in which he stated that we have had no legitimate surplus in the last 10 years. I wonder how many businesses have had a legitimate surplus? I ask because this government is big business, let us make no mistake about it, in fact it is the greatest business that is taking place in our province at the present time.

For instance, when we are criticized for our capital expenditures, and for not taking our full capital expenditures out of ordinary accounts, we must consider the position for instance, of the farmer.

The farmer who constructs the plain barn can charge that barn off at the rate of 5 per cent. per annum for depreciation purposes. He can charge off ordinary farm machinery at the rate of 10 per cent. per annum, and a tractor at 15 per cent. and so on.

Certainly within this province the greatest efforts have been made to supply our people. It has been a time of capital investment to enable the people of this province to make the progress we have in the last few years. Without this progress, our schools could not have advanced, the people could not have afforded the cost of education, and certainly we would not have had the industry and the progress that we have had.

Now the hon. member for Waterloo North also mentioned the budget. His theory is very good for a business that is at a standstill, a business that has progressed and come up to a certain peak, then levels off. The directors say: "Well, in our good years we will reserve our revenue, we will not pay it out in dividends, we will keep so much in surplus so that in our poorer years we can pay that constant dividend that we have paid all this time."

That has not been the position in this province because it is making progress. We are in a similiar position to a company, starting out, which must have a large capital

expenditure, or to a farmer who is starting out who must over a period of years acquire cattle, machinery and so on, besides paying for his farm and setting himself up in business.

Without that capital investment, where would we have been? We might ask: "What would have been the alternative had these things not been done?" For one thing, we would not have had expenditures, and we would not have had the taxation. The question is, where would we have cut down on our expenditures? Should we have spent less on roads, should we have spent less for education? Should we have spent less for health matters? Should we have spent less on anything?

I do not believe that any hon. member of the Opposition would suggest that we should have spent less.

Well, then, the only other way that we could have built up a surplus would have been by imposing extra tax. It is as simple as that. I believe the hon. member for Waterloo North suggested that in certain places taxes should be reduced. He said that in education matters, we should pay for all of the teachers' salaries so that it would have been impossible to have built up a surplus during the last few years without either spending more money or taxing the people a far greater amount than they have been taxed.

Then, last night, I heard the hon. member for Bruce (Mr. Whicher) being quite critical of the surpluses that were shown by some of our public utility commissions. Now, our public utility commissions have been in the position of the established business, so to speak, and it would have been natural for them to reserve a portion of their income, because they know that some of their plant equipment is going to need replacing. Consequently, they keep this surplus there in order that, when the time comes, they will have that money or a portion of that money to replace this plant equipment. Therefore the hydro rates are stable more or less to those people whom they serve.

Yet if they spend this money all at once, or from time to time, and then are faced with a drastic necessity for replacing of equipment and so on, immediately their rates would go skyhigh to take care of it.

How is it that we see on the one hand the hon. member for Waterloo North suggesting that we should have created a surplus during the last few years, while the hon. member for Bruce is suggesting that it is wrong for the public utility commission to have any

surplus? In other words, to a certain extent it is somewhat like the remarks that were made last year and previous to that.

In 1953, Canada had a general election. The Conservative party claimed that taxes were excessive and that if they were let into power they would reduce them by \$500 million. The Liberal party and the newspaper supporters said that this was impossible, and no later than last year, hon. Mr. Pearson, when he was Minister of State for External Affairs, said in an address at Gore Bay:

Our quarrel with the Conservatives is that they cannot cut \$500 million of taxes without interfering with the essential services.

Then the *Toronto Daily Star* last year also spoke of Rt. hon. Mr. Diefenbaker's pledge to cut the excise tax on automobiles, and said in that regard:

Tax cutting is a splendid fantasy for politicians who have no responsibility to run a country and keep it in good financial shape. Where is the money coming from, Mr. Diefenbaker?

Nevertheless, the new federal government at Ottawa did cut taxes in the amount of \$178 million per year. At the same time, they made far more generous fiscal arrangements with the balances, and showed far more consideration for the pensioners, than the Liberals had ever done.

But who suddenly appeared on the scene? Why, it is hon. Mr. Pearson, now Liberal leader, kicking off his campaign for his March 31 election—and what does he say? He says—let hon. members hold their breath—that taxes can be cut by \$400 million. That is one example.

Now the hon. member for Waterloo North, in starting his budget address, in criticism, said that he had a difficult task to do. Today the hon. member for Brant (Mr. Nixon) for whom we have a great respect, said that the hon. Provincial Treasurer had a difficult task in presenting that budget.

I do not believe that our questioning Opposition are even agreed. I believe that the policy of the federal Liberal party in Ottawa is making a radical change from last year to this year.

Here, in this House, the hon. member for Bruce says that we should not have a surplus, and the hon. member for Waterloo North says that we should build up surpluses in good years. Therefore, it would seem that

the thinking is entirely according to the condition that exists.

Of course, I am not going to be too critical of our hon. friends in this House because I know that it is difficult for them to criticize.

Nevertheless, speaking frankly, it would appear that the difference in opinion is a result of whether they are in power or out of power.

Before I leave that matter, I would like to mention also that the hon. member for Waterloo North and the hon. member for Brant have said, in the matter of our increasing debt, that it is and should be a matter of concern.

Well, all these things are relative. In 1943, it would have taken the total revenue of this province for 4 years to have wiped out all our liabilities. Last year, it would have taken the revenues for just two and a half years to take care of all our liabilities.

I think that hon. members will all admit, in reading on a balance sheet, that the assets and liabilities must be balanced one against the other. It is not fair just to take the liabilities and say they are increasing.

In other words, if our liabilities do increase but our assets are increasing at a far greater rate, I would suggest that the balance of the whole should be examined.

Certainly, as far as we ourselves are concerned, I think that the capital investment made in this province is paying off and paying dividends.

Again, we have heard it said that the greatest asset that we have are our school children and our people. In this connection we are paying for education, paying for hospitals, and paying for all manner of public services. These in turn are going to bring revenues to this province that certainly will justify the investment that this government is making in them.

I might say that the hon. member for York South (Mr. MacDonald) spoke at some length the other day, and described the tremendous gross earnings of 4 of our large corporations. I believe that he mentioned the Canadian Pacific Railway and International Nickel.

Mr. D. C. MacDonald (York South): I do not think I mentioned the Canadian Pacific Railway.

Mr. Whitney: Pardon me, but there were 4 large corporations that I heard the hon. member mention and the Canadian Pacific Railway was one of them. I did not think too much of it at the time, but then afterwards I got to thinking: "What do the gross profits mean?"

The gross profits mean nothing. They do not take into consideration wages, cost of materials, or business of any kind. They just mention a sum of money with the idea of giving to working people the thought that some people are making new fortunes at the expense of their labour. Because the gross profits actually have no relation to net profits, they do not say what the stockholders or what the shareholders of those companies received in earnings.

Mr. MacDonald: Let the hon. member tell that to his farmers.

Mr. Whitney: Our farmers know all about gross profits. As they know so well, it is the net profit that counts, not the gross profit. They know full well what their expenses are, and they certainly would not tell the hon. member or anyone else how much they took in without telling him also how much it took to produce the commodity.

Such statements regarding gross profits, and suggestions that there should be planning and public ownership, remind me somewhat of Walter Reuther's statement in Calcutta, India.

Probably the hon. member for York South will know who Walter Reuther is. He stated that in western countries the capital is owned by factories, but the workers build the automobiles, but in Soviet Russia, for instance, the workers own the factories but it is the bureaucrats who build the automobiles.

The statement regarding gross profits and so on, while completely ignoring net profits, expenses and so on, is very similar to the case of the Irishman who went to his employer and asked for an increase in pay. The employer said: "If you were worth it, I would be glad to give it to you. Now, let us see what you do in a year. Pat, we have 365 days in a year. You sleep 8 hours every day, which makes 122 days of sleep. Taken from 365 days it leaves 243.

"Now, you have 8 hours' recreation a day, which makes 122 days. This, taken from 243, leaves 121 days.

"We have 52 Sundays in a year, which you have off, leaving you 69 days. Take off 14 days' vacation and you have 55 days left.

"You do not work Saturday afternoons, which makes 26 days in a year. Take this off and you have 29 days left.

"Now, Pat, you allow 1.5 hours for meals which totals in a year 28 days; take this off and you have 1 day left. I always give you St. Patrick's day off, so I ask you, Pat, are you entitled to a raise?"

Mr. MacDonald: That is typical Tory logic.

Mr. Whitney: No, it is an example of the logic the hon. member was using when he referred to gross profits.

In this regard, there always seemed to be some kind of stigma attached to those people who invest capital in a development of this kind. Down in Prince Edward county, we have a man who is well established, and was satisfied, but because it was a dream of his, he went to work and was finally instrumental in the establishment of a cement plant, which will give employment to our people.

That man travelled miles, and worked very hard to accomplish that end. All over this country we have had those people who have taken that chance, have been willing to gamble their efforts, and gamble their capital to try to develop this country. Why should they be the object of criticism from some who are not developing anything of this kind?

Mr. MacDonald: What is his name? Is it Fraser or MacFarland?

Mr. Whitney: I refer to mayor H. J. MacFarland of Picton, and wish we had more like him who would go out and create industry and help develop this province.

Mr. MacDonald: He made \$1 million out of highway contracts anyway.

Hon. Mr. Dunbar: Is that all?

Mr. Whitney: I would say, regarding the remark about the \$1 million on the highway contracts, that I have no knowledge of any \$1 million or any money, or anything of the kind.

I wonder if perhaps the hon. member thinks no one is entitled to a legitimate profit of any kind, or if the hon. member could prove he made any profit to which he was not entitled? I am sure everyone would appreciate hearing about it.

I would say that, if we had more men who would put capital into our industry and into our development in this country, we would not be in the same position as the article in the paper yesterday, in which it said that the Ford Motor Company of Canada was unable to deliver automobiles to the Prime Minister of China because the higher officials in the United States said they could not do so.

I think that is what we need, and I do not think that the people in this country who risk their capital, do the work, and develop things, and so on, should be the butt of the gibes of members such as the hon. member for York South.

I would like at this time to mention some of the things of particular interest to the riding of Prince Edward-Lennox. The increased hospital grants that have been made by both federal and provincial governments will make possible, at long last, a new Prince Edward county hospital.

This is something that has been needed for a great length of time. The people have raised a great deal of money by subscription and many other ways, yet, due to rising costs, they were unable to undertake this project which was so greatly needed. I am sure all the people in Prince Edward county are grateful for what has been done.

In regard to Lennox and Addington county, there was great legislation here this year because it so happens that a couple of years ago I had the opportunity of visiting the St. Lawrence seaway development, where George Challies and Dr. Carroll are doing such a great job on the St. Lawrence parkways, and I did see some of the work.

Dr. Carroll took a party—and I happened to be with the members of the Toronto branch of the United Empire Loyalists association—on a tour and showed us what they were doing, and how historical houses and churches and furniture and different things were going to be gathered together and placed in a spot where they would help to give a story of the early history of this great province. I think that is a great thing.

The whole Bay of Quinte area is rich in history, as is the city of Kingston, and along highway No. 33, which is a beautiful area in its own rights, there are many historical spots. We have two fine houses there which were constructed in 1793 and 1796. They are the Fairfield properties, and those people who occupy those houses are most willing to show people through.

The house constructed in 1793 has a certain amount of the original furniture put in at that time, and at Adolphustown, at the spot where the original band of United Empire Loyalists landed in the 1790's, two years ago the United Empire Loyalists association from Toronto renovated and restored a cemetery, thanks to a great extent to the great assistance given by the late R. S. McLaughlin, who was a native of our area and who I do know took a great delight in seeing this great work carried out.

And now that Frontenac, Lennox and Addington counties have been added to the St. Lawrence parkway commission I know that this is going to be a great thing. We appreciate what the parks department is

doing, but these were smaller properties, this is a waterfront.

I listened with a great deal of interest to the speech given by the hon. Minister of Labour (Mr. Daley) a few weeks ago, when he described the Niagara parkway, and I can see a vision, although it will be a long time in reaching its fulfilment. Starting with the St. Lawrence seaway and progressing up to the historical city of Kingston, where we have Fort Henry, and along highway No. 33 to Adolphustown—where we have the park and the other historic sites—we certainly have a bright future ahead.

I was particularly interested also in the remarks of the hon. member for Grenville-Dundas (Mr. Cass) who gave us a lot of information the other evening.

Of course, in Prince Edward county, the Outlet Beach provincial park is being developed. Pete McGillen of the Toronto *Telegram* described that park as having the finest natural sand beach in the province of Ontario, and I think that is very high advertising indeed.

Then again, I must commend the hon. Minister of Lands and Forests (Mr. Mapledoram) for the fact that the sand banks, which are unique in their way, have been transferred from lands and forests to the parks branch within that department.

Now in The Department of Travel and Publicity, we understand it is the plan of the historic sites committee to establish some historic sites within the riding of Prince Edward-Lennox within the near future, and we certainly think that is a great idea, and we do believe that in the future this government will be praised for initiating this great plan.

In that regard, to promote the tourist traffic, I have long felt that perhaps we are missing one opportunity, and that is at convenient spots along our provincial highways we might have a place where people could turn off the highway and drive onto a parking ground, and that a huge map might be erected there showing various roads in different directions, showing parks, provincial parks, historic sites, and giving travellers generally an idea where they are, what is available, and giving them a choice as to where they might like to go next.

If this was done perhaps every 50 miles or so, it would be of considerable help to tourists, and particularly our American tourists. Many Americans come over to Prince Edward-Lennox riding, and they are interested in the United Empire Loyalists in particular, and wondering about them, because some of them

have the same family names, and know of some ancestor who joined the United Empire Loyalists and came to Canada. And they are certainly interested in following up anything along that line and seeing what they can.

I think that, in time, there will be greater direction given so that instead of going through in a hurry—when highway No. 401 is completed, people can pass by in a hurry from one city to another and think they have seen our province but such will not be the case—I think every encouragement should be given for them to see, here and there, high points of interest in the area through which they are passing.

I would like to commend the hon. Minister of Highways (Mr. Allan) for the announcement he made the other day that construction on highway No. 33 between Wellington and Bloomfield would be commenced this year, because that has been a very narrow highway and one badly in need of repair. I know the people will appreciate that very much.

Likewise, there is a plan to build a small portion of road east from Picton which broke up very badly last year and had temporary repairs. I might say that our local mayor of Picton—who has been referred to in not such glowing terms by the hon. member for York South—is interested in this road and said: "I wonder if I could get a chance to put my cement on there as cheaply as they can get any other kind of material?" So we know these things will have to come by tender but nevertheless we think it would be a great thing if his tender was such that that highway could be serviced by concrete—that small portion of 3.5 miles—because it has been breaking up badly.

Referring to agriculture, I would like to commend this government for the fine work they have been doing in granting junior farmers' loans. In Prince Edward-Lennox riding, there have been 37 of these granted to a total of about \$271,975.

In another phase of agriculture, we are facing some difficulties. A Delmonte organization or California Fruit bought out Canadian Cannery a year or so ago and they are closing several plants in the riding of Prince Edward-Lennox.

In addition, many of the other small privately-owned factories are filled with surplus goods they have been unable to market. One reason why they were unable to market canned peas, for instance, was due to the fact that until recently frozen peas from the United States were coming in here all winter and selling at a very low price. But fruit and

vegetable growers did go to Ottawa and they made this known, and immediately, despite agreements and so on, the government at Ottawa have imposed a substantial tariff on the imported peas. It is to be hoped that that situation will change.

In regard to setting these agricultural prices, not only is there to be an 80 per cent. average of the price over the last 10 years, but there are going to be people on that board who are the representatives of farm organizations, with the greatest knowledge of farm conditions, and those people are going to be in a position to advise the government as to the condition in agriculture.

I do not believe our government in Ottawa is going to say to our farmers and to other people: "Oh, we cannot oppose the United States." I think they have shown they are able to stand on their own feet and to state our case for our people. I think they will gain respect by doing so, and I think that is the only way that we can look for any progress, as far as agriculture is concerned, in this country and in this province. Certainly, I cannot commend that attitude too highly.

Now I am going to deal as briefly as possible with a matter which is very important to me, and that is in regard to the per capita grants relating to the administration of justice. Last year, as hon. members know, \$1 per capita was granted to each county in a judicial district to take care of the administration of justice costs of that county.

Having served on Prince Edward county council, and having knowledge of the Lennox and Addington county council, I realize that those grants of \$1 per capita would not in any instance enable the people of those counties to break even, as far as administration adjustment costs in any one year are concerned, because their populations are approximately 20,000, and therefore their grants would be approximately \$20,000 each, and their costs approximately \$30,000 a year each.

The reason their costs are so high is largely because of overheads, cost of maintaining the jail, paying salaries, fuel, and so on. Even in years when they have no excessive costs or repairs of any kind, or murder trials, those costs will still run around \$30,000 a year.

With that in mind, I talked to the hon. Attorney-General (Mr. Roberts) and in order to enable me to make a survey he gave me the figure for administration adjustments for the province of Ontario for the year 1955, and I discovered that for that year 1955, 16 counties, each with a population exceeding

50,000, would, with a per capita grant of \$1, have a profit of \$502,705.50 in excess of their administration adjustment costs, approximately 15 cents per capita. Eleven counties with population exceeding 50,000 would have a small cost, approximately 14 cents per capita.

Huron county was the only county with a population of under 50,000 which showed a small profit of approximately 5 cents per capita; 4 counties with a population between 35,000 and 50,000 were also in debt.

One county had one excessive cost, but with that county omitted, the average cost worked out to 29 cents per capita of those people, but the 5 small counties with populations under 35,000 — namely Dufferin, Haldimand, Lennox and Addington, Prince Edward and Victoria — with a combined population of 112,940, would pay, in excess of \$1 per capita grants in the province, an amount of \$51,189.45.

As a result, these figures confirmed my opinion that certainly the smaller counties were not being given the same consideration, or could not realize the same status, as the larger ones, as long as the administration adjustments grant remained at \$1 per capita.

Therefore it was my opinion that since the public welfare per capita grant is on a sliding scale basis where the grant starts at a low amount for the rural areas, and as populations increase this grant increases, certainly in converse this same principle should be applied to the smaller counties as far as the administration adjustments are concerned.

With that in mind, it would seem that counties with populations between 35,000 and 50,000 should receive a grant of \$1.25 per capita up to a maximum of \$50,000, so that they would not receive more than those counties of over 50,000.

Similarly, the counties with populations under 35,000 should receive a per capita grant of \$1.50 up to a maximum of \$43,750, which would be the starting point for the 35,000 per capita people, who would receive that as soon as they are over 35,000, so that they would not receive more than the other people above them.

On the basis of the 1955 figures, the total cost to the province of Ontario for these adjustments would be \$66,710, and I do not think that would be unreasonable. It would give the county with the lower population that same opportunity to break even, at least part of the time, insofar as administration adjustments are concerned.

Now, in summing up some of the matters in our riding, all our people including those in Lennox are optimistic about the future. We know that the St. Lawrence seaway will be completed before very many months. We know that at Picton we have a deep-water harbour. We know that we have cement being produced there, and that we have iron ore being shipped from Picton harbour, we know that we have a great pair of plants owned by the Canadian Industries Limited Company at Millhaven. We understand that the aluminum company has purchased several hundred acres for expansion in the Millhaven area.

We know that we have housing developments in Napanee and the Aberdeen Iron Works has doubled its capacity. We know that in our Lennox-Addington area, being under the St. Lawrence commission, we are bound to have increased tourist traffic, and we know that there will be industries up there.

For a long, long time, our people down there have wanted an additional bridge. They have not altogether decided where they want it, but with the growth that is coming I think that we are safe in assuming that the bridge is inevitable. I know that the hon. Minister of Highways cannot agree that it is justified at the present time, but I expect when we consider what is going to happen, we must realize that that bridge is inevitable and I am sure that the people of our area have faith that the bridge will be coming.

I have another reason for thinking that is going to be the case.

I would like to mention the pleasure with which many of our older residents have received the certificates that have been mailed from the office of the hon. Provincial Secretary (Mr. Dunbar), and just this week I sent out a certificate for a ninetieth birthday and I have in my desk a certificate for a sixtieth wedding anniversary that will be going out tomorrow.

Yesterday I mailed a certificate to Miss Nell Park of R.R. 1, Napanee, who, on March 27—Thursday of this week—will be celebrating her 110th birthday, and who is believed to be the oldest woman in Canada. In part the certificate says this peppy, alert, white-haired woman lived in an age when homemakers did almost everything for themselves. She made candles, churned butter, spun cloth to make her own clothes, filled the ice house, cooked and baked. She was particularly noted for her home-made bread and she even worked in the field.

Since the spring day she was born in 1848, times have indeed changed, but they have

been all for the better, according to Miss Park. Modern automobiles, she says, are all right, but television is just a fraud. When Miss Park was interviewed by the *Napanee Beaver*, she was in good spirits and talkative. Her hearing and eyesight are failing, but her vigour is little impaired. Doctors say that her heart is as good as new.

Her appetite is excellent. She often eats 4 meals a day, topping off with a cup of coffee and a sandwich at bedtime.

She talks freely of the days of Sir John A. Macdonald, Canada's first Prime Minister. She used to live in the Kingston area, when campaigns throughout the vicinity were conducted by horse and buggy. She recalls hearing Sir John A. Macdonald speak at Napanee. Miss Park last voted at the age of 102.

I thought that those remarks might be interesting, and certainly we are proud of our elder people in our riding.

I might suggest to the hon. Minister of Highways, if he thinks that he is going to get away without building a bridge down there in the near future, our people are just going to help increase that population. Their longevity is going to give us a chance and we certainly hope that they all live for a good long time.

Mr. W. Sandercock (Hastings West): Mr. Speaker, speaking in the budget debate, I would like to compliment the government on the assistance that municipalities are receiving. Year after year, these grants are increased by tremendous amounts of money, thus relieving the property owners of taxes that would be staggering.

With the very generous grants that have been made to schools in the riding which I have the honour to represent, new schools have been built from one end to the other of our riding which is well over 100 miles long. These schools are modern in every way; buses transport students to and from school, morning and night, winter and summer; and there is not a school room lacking a teacher. This system provides opportunity for all who desire to obtain an education.

We, in our part of Ontario, appreciate the large sums of money that have been spent on highways and in developing roads. We expect that highway No. 401, between Belleville and Trenton, will be opened this year to relieve the ever-increasing traffic problem of these two cities.

The municipal council of Trenton is greatly worried about the condition of the bridge over the Trent river in the centre of the town.

This bridge is in need of extensive repairs, and was never constructed to carry the present day traffic of highway No. 2.

The city of Belleville is faced with a large expenditure on city streets, as the heavy traffic continues to break up the pavement. A great deal of patching has been done but the time has come when a complete resurfacing is required. We are looking to the government to pay a substantial share of this work.

The people in our riding are very grateful for the money they received in developing roads. The county, with a long lineup of county roads that have to be maintained to a good standard winter and summer, finds it impossible to do as much construction of new roads as it would like, due to the limited budget.

The same problem applies to the townships, but a few thousand dollars of development money spent on cutting off dangerous corners, straightening out sharp curves, and repairing some bridges would change the whole appearance of the roads and, without costing a large sum of money, would make it into a much safer one for travel.

While on the subject of highways, I may say we realize that everything possible is being done by this branch of government for the safety of those using our roads. Signs of every description, guard rails, lights of all kinds, highway crews patrolling the roads night and day, snow plows, salting, sanding bulletins, radio warnings of road conditions and many other safety measures have been adopted by the department to try to cut down on accidents.

With all the safety precautions conceivable, a large number of accidents are still occurring on our highways, to say the least. So many times we are sickened with grief to read in the paper, or hear on the radio, that some of our friends, relatives or neighbours have been killed in a car accident. The riding that I represent has been thrown into a state of sadness many times when one or more of their promising citizens have been killed on the highway.

No one seems to have the answer. It would appear almost beyond human power to control.

The riding of Hastings West is over 100 miles long and many types of industry and occupation are carried on. The northern part of the riding is a tourist's paradise which, with its many beautiful lakes and streams, has attracted people who have spent large sums of money on cottages and equipment.

Lumbering and pulp is still a very important business.

One of the greatest assets to this part of the riding was the discovery of uranium by one of our local citizens. The uranium mines have been developed and used, and modern processing plants have been built, which gives employment to hundreds of men.

The Farity Uranium Mines Limited have been very community conscious, and have built a number of beautiful homes for their staff near the mines, and a large section of very modern homes for their employees in the village of Bancroft. A new curling rink has also just been completed. The whole community is most grateful to the executive of these mines for their public spirited attitude.

The village of Marmora, on highway No. 7, was very fortunate in the fact that a few years ago a large iron-ore deposit was discovered in that locality. The mine has now been developed and is known as the Maramoth Mining Company Limited. This is an open pit mine, the ore being processed to a higher grade and shipped in pellet form by train to their storage docks in Pickering, from where it is shipped by boat. The project cost many millions of dollars and has been a great boom for the community.

The officers and employees of this mine take a very active part in the community life of the district by helping any worthwhile project.

The 3 southern townships of Hastings riding consist of good farm land used for mixed farming. They are known for their high grade cheese and canning products. This is also a great livestock producing area.

Sterling, a beautiful village 15 miles north of Belleville, situated in one of the most fertile valleys of the province, is celebrating its centennial from August 3 to 6 of this year.

Its citizens are very progressive and are making great preparations for an outstanding event to which everyone will be made welcome.

The citizens of the municipalities of Belleville and Trenton which are located on the Bay of Quinte, with their many industries providing employment for their citizens, have steadily grown in number year after year until the municipalities are now surrounded by new housing developments.

We are most fortunate in having some very scenic spots in the riding. One of the most outstanding is the Trent river, which starts at the village of Hastings and winds

its way through the Trent valley, finally flowing out through the centre of the town of Trenton into the Bay of Quinte and on into Lake Ontario. This is a navigable river, where scores of pleasure boats travel from Trenton to Georgian Bay, leaving Trenton and travelling north a distance of only 7 miles to the village of Frankford on highway No. 33 which closely follows the west side of the river, sometimes called the Iroquois Trail.

There, one is in view of two hydro-generating plants, 3 railroad bridges, 3 road bridges including the monstrous highway No. 401 bridge high above the Trent river, and 6 dams, where the white foaming waters tumble over.

There are in addition, 6 locks where boats are locked through. Also, on this stretch of the road, is the Glen Miller Paper Mill, an old established business that has been a landmark for many years. Next is Batawa, the home of the Bata shoes, with their huge modern factory towering skyward, surrounded by their community buildings and homes. In this factory the shoes are made for their 100 stores across Canada.

On the east side of the river a county road follows the river quite closely back into the town of Trenton. On the drive around this section of the river many camping parks could be established. At this time the Trenton and suburban planning board and local municipalities are negotiating with the different departments of the government for the financial assistance necessary to develop this scenic section of the river into one of the most outstanding beauty spots and tourist attractions in that part of Ontario.

I would like to congratulate the planning board for making the start. We are hopeful that the government will see its way clear to help in carrying out this project, to make it into a very fine park and camping centre, which will attract thousands of tourists and be of great benefit to the public.

Mr. Speaker, on behalf of the people of my riding I would sincerely like to thank the hon. Provincial Treasurer, the hon. Prime Minister (Mr. Frost), for the very generous financial assistance we have received, and also the hon. Ministers of every department of the government for the co-operation we have received at all times.

During the present session the different hon. members, in rising to take part in the debates, have expressed the great respect they have for the hon. Prime Minister personally for his achievements, and the warm regard they have for him.

I, of course, share very fully in these sentiments. In addition, I should like to say it is with the greatest pride I hear the hon. Prime Minister's name mentioned in the same way by the people of my riding wherever I go.

I would equally like to join in the sincere expressions of appreciation extended to the Speaker of the House for the very fine way in which he has conducted the affairs of this and past sessions.

Mr. D. J. Rankin (Frontenac-Addington): Mr. Speaker, may I give hearty endorsement to the many commendations that have been given you on your work in this office. Since the last session of this Legislature, two new hon. Ministers have been promoted to portfolios. I wish to particularly commend the new hon. Minister of Reform Institutions (Mr. Dymond) and the new hon. Minister of Mines (Mr. Spooner) on the quick way in which they have grasped the problems of their departments. I think it speaks well for the choice of these men by the hon. Prime Minister.

I would like also at this time to congratulate the hon. member for Prince Edward-Lennox (Mr. Sandercock), my adjoining colleague, on the excellent speech he has just given, and I think we both join in commending the government on the introduction of the bill adding our respective counties to the Ontario-St. Lawrence commission. I think we both have a keen appreciation of the history of our counties, and of the necessity of having some organization that will preserve their history.

Tonight I am going to speak very shortly, but I am going to make a few remarks as well as give the history of the Kingston area.

The Kingston area, situated as it is at the juncture of Cataraqui and St. Lawrence rivers, was well known to the Indians, and Champlain stopped there in 1615. In 1673, Count Frontenac established an outpost there in his war with the Iroquois. The post was captured by the British during the Seven Years' War.

In 1783, when the American Revolution was successful, the British government assisted thousands who had remained loyal to the Crown to travel to what is now Canada. One of my great-great-grandfathers, Daniel McGuin, was commissioned by Guy Carleton as a captain in the Fourth Company, First Frontenac Regiment, in 1784.

Captain Michael Grass, who had been at Fort Frontenac during the Seven Years' War, led the first parties of Loyalists to Kingston in 1784, and his immediate party, consisting

of the Ellerbecks, the Wartmans, the Days, the Everetts, and others drew farm lots in Kingston township from the present city westerly.

There are several accounts of the hardships of these early settlers, but by 1800 Kingston was well established as a settlement, and by 1812 was fortified with several batteries.

When the War of 1812 broke out, Kingston became the chief naval base on Lake Ontario and several heavily armed warships were built there.

As you know, Mr. Speaker, York was captured and burned by the Yankees, and the following article from the *Kingston Gazette* of November 17, 1812, tells the story of the early attack on Kingston:

Early on Tuesday morning last, information was conveyed to town that 7 American vessels, full of men, were approaching. At daylight the troops and militia were under arms, and detachments were immediately sent to occupy the different avenues to the town in order to give the enemy a proper reception should they be disposed to land. The Flying Artillery were dispatched in advance of the troops.

When they had passed Collin's Bay, several shots were fired by our gun boat at the nearest vessels, which they returned, but without effect on either side. At Everitt's Point one of our field pieces opened upon them, the shot from which appeared to strike several times, and they thought it prudent to sheer farther off.

About two o'clock they approached the town and were fired at from all our batteries. They opened and kept up a brisk fire in their turn upon the *Royal George* and upon our batteries, which continued till after sunset, when the enemy hauled their wind and anchored under the 4-mile point, having done no other mischief than killing one man on board the *Royal George*.

It is supposed that some damage was done to their largest vessel, the *Oneyda*, as some of our shot from the battery at Messisaugoe Point were seen to strike her. On their way down the Bay of Kenty in the morning, they burned a small schooner belonging to Messrs. B. Fairfield & Company.

The alarm had been early communicated throughout the country, and persons of every age flocked into town from every quarter, eager to repulse the invaders from

our peaceful shores. The veteran Loyalists who had manifested their zeal for their Sovereign during the American rebellion, showed that age had not extinguished their ardour, and though many of them had passed that time of life when military service could be legally required, they scorned exemption when their inveterate foes approached.

Before night the town was crowded with brave men, who insensible to fatigue, were anxious only to grapple with the enemy; who had they attempted to land would have paid dearly for their temerity. The conduct of the inhabitants of the Midland district on this occasion, will be long remembered to their honour.

On Wednesday morning the American fleet got under way. After beating up towards the lake for some time, two of them bore away and sailed down the river, keeping at a respectful distance from our batteries, which nevertheless gave them a shot in passing. The other 5 continued their progress.

Early in the afternoon another vessel appeared in sight, which proved to be the *Simcoe*. She was chased by the enemy, who fired upward of 50 shots at her. But she escaped by the intrepidity of her master and crew, not, however, without receiving a shot between wind and water, that must have sunk her had she been much farther from port. In the evening they were out of sight.

As a result of the War of 1812 the British government, who in those days were in charge of the fortification and defence of Canada, decided to construct what is now known as the Rideau canal as a safe and secure route to Montreal, away from the boundary line of the St. Lawrence river.

In order to construct this canal they sent to Canada Colonel By, and the canal was completed in 1832. Even today the stone work is a credit to any engineer and the cost of \$800,000 seems small today for such an undertaking, although at the time it was 4 times the original estimate.

Fort Henry, which is in my riding, was completed in 1842 at a total cost of \$10,632 and was garrisoned by British troops until Confederation. This fort, of course, was built as a defence to the entrance of the canal from the lake, and after World War I the fort fell into ruins, but in 1936, during the depression, it was completely rebuilt, jointly by the provincial and Dominion governments and under the capable management of Mr.

Ronald Way. It has become one of the greatest tourist attractions on the continent.

Our hon. Prime Minister has a keen appreciation of history and the importance of its preservation to intertwine into the fabric of our growing nation, and I hope that the Ontario-St. Lawrence commission will play its part in this regard.

I foresee a great growth of population in the St. Lawrence-Quinte area but it would be regrettable if the lore of those early days were allowed to be altogether forgotten.

Mr. A. J. Reaume (Essex North): Mr. Speaker, in rising to take part in the debate, I want to say that I think the people who are handling the estimates, the hon. Ministers of the Crown, in almost every instance did very good work. I know that they must have worked hard on the estimates, but there is one thing that I do know. Every time an hon. Minister of the Crown, after having worked so hard on his budget, tries to do a good job, he is interfered with by the hon. Prime Minister (Mr. Frost) of the province.

Now we have gone through *Hansard* and each and every year, a number of times while presenting his estimates, an hon. Minister has been interfered with. In one instance, the hon. Minister of a department was interfered with 18 times.

Now I would think that, at the time the hon. Prime Minister invited the hon. members into the Cabinet, he had enough faith in them to allow them to run their own affairs. It must be embarrassing to the hon. Ministers of the Cabinet, after working so hard on their estimates, to arrive at the important hour here in the House, and have the hon. Prime Minister say: "Sit down now, I will take charge."

Hon. W. K. Warrender (Minister of Municipal Affairs): When did that happen?

Mr. D. C. MacDonald (York South): When did it happen? When did it not happen?

Mr. Reaume: I think it is almost time the hon. members on the opposite side of the House were to rebel. I suppose that is hoping for a lot, but I do feel that after all, when an hon. member of the Opposition directs a question to one of the hon. Ministers of the Crown, he really expects that the hon. Minister, of whom he is asking the question, will be the person to answer it. Instead of that, we practically always get our answer from the "boss".

Some hon. members: Oh, no, no.

Mr. Reaume: Now, the hon. members on the government side must admit that they are all acting like the fifth wheel on a wagon. The government has grown into a one-man affair; it is a one-ring circus with only one of the actors taking part.

Hon. Mr. Warrender: What about the hon. member and hon. Paul Martin?

Mr. Reaume: Therefore I am hopeful that some day, some of the hon. Ministers over there will stand up on their hind feet and tell the hon. boss of their party that they are quite able—I think they are and I think every hon. member in the House thinks they are—

Hon. Mr. Warrender: The hon. member is afraid to.

Mr. Reaume: Afraid to? Certainly the hon. Ministers are afraid. But they should not be afraid—

Hon. Mr. Warrender: No, we are loyal.

Mr. Reaume: They should not be afraid because after all their people put them where they are, and they expect them to stand on their own feet without being told by the man with the iron heel that they must sit down while he takes over.

Hon. Mr. Warrender: The hon. member does not believe that.

Mr. Reaume: Well, that is true, so we will let that stick.

Now, the other evening there was an exchange here in the House between the hon. Prime Minister and me—

Mr. J. A. Maloney (Renfrew South): The hon. member for Essex North does not call that an exchange, surely.

Mr. Reaume: —and it was rather hot in spots, but there was one point I thought of importance—

Hon. Mr. Warrender: Who made that point?

Mr. Reaume: It was not the hon. Minister, because he has not made an important point in years.

When we looked at *Hansard* the following day part of the exchange was not there, so we went up to the files and checked *Hansard* with the tape, and while it was on the tape there was nothing at all in *Hansard* about the part where I made mention of a foreign-made car parked at the east end of the building—one that was driven around the streets of Windsor—or rather here in Toronto; of course, Windsor is the most

important place in the province and that is why I mentioned that—

An hon. member: The hon. member for Essex North should get back to town.

Mr. Reaume: This car was placed at the use of the hon. Prime Minister of the province. Now the point I am trying to make is this—

Mr. Speaker: Order! Order!

Mr. Reaume: It is pretty near time we had a little of that. I have said that this was the hon. Prime Minister's car, but I understand that these cars are registered in the name of The Department of Highways, and if this be true, it makes it all the worse, because if the hon. Prime Minister of the province wants to find fault with the automobile industry of the province, that is not any reason why he should not purchase the car that is made by the hands and the brains of the people who put him here.

It is an insult, I would say, to the people who make these fine cars. Or it might be that, in the opinion of the hon. Prime Minister—and indeed I must say in the opinion of some of the other hon. members of the government, too—that the cars made here in Canada are not good enough for them.

Hon. Mr. Warrender: No, I would not say so.

Mr. Reaume: No, the hon. Minister would not say it. Why does he not do something about it?

Now, I think it is important because they are apparently finding fault with our cars, and are buying other implements shipped here from other parts of the world. If we, who are occupying places of importance in the province, are going to urge our people to purchase things which are made in Canada, we should set an example. But it is a fine example indeed, when about 9 o'clock every morning, Monday through Friday, one can watch that bottleneck, Mr. Speaker, outside of the hotel entrance uptown and see these great big black cars with white-walled tires blocking the entrance of the hotel and holding up the traffic passing by.

Mr. Maloney: Oh, terrible.

Mr. Reaume: And it would not be half bad if they would only purchase cars that are made by the people here.

Now, there is a beautiful article in the *Windsor Star*, under a recent date, urging people to buy cars made in Canada, and there are some of the hon. members tonight on the

government benches who are using cars, I understand, that have been paid for out of the funds of the province, or out of the funds of the people, but are not built in Canada.

If that be so, they might answer this question now if they wish: Why is it that they will not purchase a car which is made in Canada? Is there anything wrong with the cars that are built here? My hon. friend, the hon. Minister of Public Works (Mr. Griesinger)—who is not here tonight—and I had a little exchange the other day. It did not amount to too much, in fact, any exchange I have ever had with him never amounted to an awful lot because it takes almost an A-bomb to get him out of that place over there, he is so happy in it.

So I am just going to make the suggestion—hon. members know of whom I am speaking—that those who are occupying important places in the province know whether or not certain hon. members are driving cars built in Canada. If they are not driving cars built here in Canada, my plea is that they immediately sell those cars and purchase ones which are.

An hon. member: I have a DeSoto.

Mr. Reaume: Let him give it away then if he cannot get anything for it.

An hon. member: I cannot afford to buy one at all.

Mr. Speaker: Order!

Mr. Reaume: We will have a little order. That is good.

Now, the other matter I wanted to deal with is this: Yesterday afternoon we were speaking about Bill No. 161. Hon. members know, Mr. Speaker, that is really a most amusing bill. I read it all over dozens of times, and I want to say again that it is just typical of the hypocrisy of the government of the province in dealing with the affairs of the people. They deal with part of the people in one way, and then the other part of the people in a very opposite way.

Now, in this bill, they go on and say that people can have liquor or beer—

Hon. G. H. Dunbar (Provincial Secretary): This bill is before the House.

Mr. Reaume: I do not care whether it was reported in the House or not.

Hon. Mr. Dunbar: Well, I am saying—

Mr. Reaume: Just a moment now, my dear hon. friend. Am I in order, Mr. Speaker?

Mr. Speaker: I am afraid the hon. member is out of order because he is anticipating something which is already on the order paper.

Mr. F. R. Oliver (Leader of the Opposition): Before you finally say that the hon. member is out of order, I would remind you, Mr. Speaker, that on these two general debates—the debate in reply to the speech from the Throne and the budget debate—it is quite well known that the hon. members are allowed the widest of latitude, and I cannot see that it is going outside that latitude to discuss a bill which is before the House. What harm is there in it to the general debate?

I appeal to you, Mr. Speaker, that in this instance this bill is before the House, the debates are before the House. What is the matter with discussing anything that is before the House?

Mr. Speaker: Well, I would just say to the hon. leader of the Opposition that if it had not been brought to my attention, we would have let it go.

But having been brought to my attention—and I am not saying this because an hon. member of the government brought it to my attention—I must say that this is the rule of the House. Once the matter has been disposed of, I will be very glad to give the hon. member for Essex North the opportunity of discussing it.

Mr. Reaume: May I ask a question? I will not even mention this bill, because I was going into something else that this bill directly or indirectly might have something to do with.

Mr. Speaker: I am afraid that I will have to rule it out on that basis, but we give you the opportunity to speak once again if you will hold down to that.

Mr. Reaume: When will that be, on Friday?

Mr. Speaker: That is right.

Mr. H. C. Nixon (Brant): May I ask the Speaker if we can still talk about liquor?

Mr. Speaker: Yes, quite.

Hon. Mr. Dunbar: Well, may I say to that when that bill comes up before the committee I want to vote on it. I want to know how that party stands, because the hon. member who was making the accusation tonight was not a member of that party two months ago. He shook hands down in Ottawa at the convention.

Mr. Reaume: No, that is not true.

Hon. Mr. Dunbar: He was with the Conservative party, with the CCF party.

Mr. Speaker: Order, order. Sit down.

There is nothing to prevent the hon. member from speaking about liquor if he so desires, in the raw sense of the word. But he cannot deal with this particular bill.

Mr. Oliver: Can he discuss that portion of liquor that is talked about or mentioned in this particular bill?

Mr. Speaker: If he does not link it up with the bill.

Mr. Reaume: Mr. Speaker, I want to promise you that in no way purposely will I mention anything about liquor at all, as it may affect any portion of that bill other than it is insane. I have always been a great fighter for the rights of everybody, and I cannot understand it, without making any reference whatsoever to the bill. I was up at Elliot Lake a while ago and that is where the idea came from actually. On one side of the street there was a group of people living in a trailer. I think that there were 8 in the trailer, and these people were allowed to have liquor and beer in the trailer. But immediately across the street there was a bunk house with 6 people in it. Or, there were several bunk houses, of course, but only 6 people in each one. Do hon. members know what I mean? These people were not allowed to have liquor or beer in the bunk houses.

I cannot think of anything more discriminatory than to imagine that in some way, some law in this province would allow the people in the trailer on the east side of the street to have beer and alcoholic beverages that come out of bottles, when the people on the opposite side of the street in bunk houses cannot.

Now, the only point other than that which I want to make is this, that it appears to me that in that area, a beautiful area too, and I think "the heart of," shall we say, "the country," is now swallowing many many thousands of people who are building up that great part of the province. I really do not think, Mr. Speaker, that an individual whether it be you or I, having our residence uptown in a hotel, should be allowed to have anything in our room which pertains to alcoholic beverages unless those people up there may have it too.

I would ask the hon. Provincial Secretary, if he wants to explain to me, in his office on Friday, just what they intend to do about it.

Now, the liquor laws of the province, of course, are a hypocritical bunch of laws. As chairman of the board, there is a man by the name of judge Robb. He is supposed to sit at the head, I understand, of a 3-man board. But in effect it is only a one-man board because he, like the hon. Prime Minister of the province, runs the whole show up there.

I want to give a couple of what I think are outstanding cases. Whether these cases happen only to people who represent the Opposition, I do not know.

In my riding, some time ago, a sportsmen's club, which had been established for quite some time, and made up of very fine people, made application for a licence in the club. Mind you, there are sportsmen's clubs all over the province which have such a licence, but in this riding of mine we could not get by first base. Why, I do not know.

One other instance occurred in a small town in the riding from which I come. A vote was taken that the hotel might sell whisky. And 9 out of 10 people in every instance voted for it, years ago, back I think about in 1955.

That licence has not been granted yet and, as I understand it, there are no black marks against the owner of the institution.

The question that I want to ask, and I do not think that I will ever have an answer to it, of course—I do not think that anyone over there will ever answer it—is this: Are applicants, who happen to be in a riding represented by us over here, being treated in one fashion while others are being treated in the very opposite fashion? Because, without mentioning that bill, if anyone could be so hypocritical as to draw up a document such as I was reading the other day, then they can do almost anything on a little white piece of paper.

Hon. Mr. Dunbar: Well, the hon. member has done almost everything he can.

Mr. Reaume: Does the hon. Provincial Secretary want to make a speech, too?

Hon. Mr. Dunbar: Yes, and that proves it, too.

Mr. Reaume: All right. Now, another thing I want to speak about again is an old subject. But I think that we can go over it once more, at least. That is this phony, half-baked plan of the hon. Prime Minister's to solve this great unemployment problem. I spent the whole afternoon on the phone calling up various

places, within a radius of 150 miles of here, and the only place that I could find taking advantage of this phony scheme is right here in the area we are in. And that can easily be understood, a metropolitan area, because if Mr. Gardiner did not play ball with the boss, Mr. Gardiner would not be a member of the ball team for very long.

So, when hon. members go back home, they might interview the mayors of their own home towns and find out for themselves what they think of this half-baked plan. After once having found out, please drop a line back to the office of the hon. Prime Minister and tell him what they hear.

I know exactly what they will hear, and once having heard it, let them ask the hon. Prime Minister to please change his plan, and come out with a plan that is sensible, so that the places involved might take advantage of it.

Well now, the session is coming almost to an end, and I want to say again that the hon. members of the government, the hon. Ministers of the Crown—I really meant what I said—are a group of hard-working jackasses. When the budget comes up in 1959, I think the hon. gentlemen should take charge of their own affairs without allowing the hon. Prime Minister of the province to constantly interrupt them, because if he is going to be a one-man show, then he might as well take on all their jobs in one breath.

It leads us up to this one point. It appears as though the hon. Prime Minister—I am very sorry that he is not in his seat tonight—is getting impatient, is getting irritated and he is using his iron heel a little more often than he has done in the past. This might be an indication that he and the government are starting to fall apart, and there is one thing—

Mr. Wardrobe: What a laugh!

Mr. Reaume: Oh, the hon. member started to fall apart years ago. There is one thing that he might feel certain of—that we over here will do all that we can to help this government fall apart as quickly as it can.

Mr. L. Letherby (Simcoe East): Mr. Speaker, I would like to join all others who have spoken before me, during the various debates and discussions in this House, in extending to you my sincere congratulations on the very pleasing and excellent manner in which you continue to discharge your many responsibilities as Speaker.

Since the Legislature met last year, Mr. Speaker, there have been many changes in

the House; changes brought about by death; changes brought about by illness; and those brought by those seeking to serve in the greater sphere of the public service of the people of our province.

We regret the circumstances which have brought about their removal from the House, because we do recall our friendships with them and their fine contribution to their constituents and to the province.

We sincerely welcome all the new hon. members of the House, and will look forward, not only to our friendship and fellowship with them, but to their counsel and guidance as we seek to carry out the wishes of the people of this province.

Now I would like to congratulate each and every hon. member of this House who has taken part in this discussion. I think that the speeches have been on a very high plane, and I am not one who stops at the presence in this House of the Opposition members.

I think the hon. members of the Opposition have a very definite and important part to play in the business of this House, and I was very pleased, some days ago, to hear the hon. member for Waterloo North (Mr. Wintermeyer) pay a well-deserved tribute to his hon. leader, the hon. member for Grey South (Mr. Oliver). I would like to add to that, and say that the hon. leader of the Opposition has had a long, honourable, and distinguished record in the public service of the people of this province. What with elections and rumours of elections, leadership conventions and rumours of leadership conventions, I do sincerely trust that his fine qualities and talents may long be available, and recognized and desired by the people of this province.

I had hoped to pay a glowing tribute to my good friend the hon. member for York South (Mr. MacDonald). I had hoped that he had improved this session, and I thought he had until we ran into the estimates of The Department of Mines.

Mr. D. C. MacDonald (York South): Let us not spoil it now.

Mr. Letherby: No, we will not spoil it.

Well I say to my good friend from York South, far be it from me to say for one moment that he fouled himself up on those estimates, far be it from me to say in this House that he levelled charges against those who were not here to answer him.

However, I am confident that as time goes on, the hon. member from York South will reach the height that he is capable of, and

I think that he is a man of outstanding ability, and I think that without him in this House we would have many dull moments. I will pay the hon. member that tribute, and his two followers in the House, to me, have always been conscientious, level-headed and outstanding men.

Now, after having said these few things, I should pay a tribute and some congratulations to my own leader the hon. Prime Minister (Mr. Frost). I would like to congratulate him, Mr. Speaker, on his fourteenth and record budget in this House, a budget which in my mind reflected the imagination, the confidence, the determination and the desire of the hon. Prime Minister and this party to give the leadership to the people of this province that I think they so richly deserve.

I was mighty proud, some few days ago, when the hon. Prime Minister journeyed to Ottawa to sit down with the federal hon. Minister of Health and Welfare (Mr. Monteith) and conclude the hospital insurance agreements for the forthcoming plan.

My mind went back to 1919—and I am still comparatively young, but I was intensely interested at the Liberal convention of that date. I think that was the occasion when the late hon. MacKenzie King was chosen leader of the party.

One of the main planks that he and his lieutenant hammered into the platform of their party on that occasion was the hospital insurance plan. They were in office for many years—I think that it was something like 35 or more years.

Now, I do not know, Mr. Speaker, whether it was the termites of the riding of my hon. friend from Woodbine (Mr. Fishleigh) which had eaten it out, or whether it just became so precarious that the members of the party were afraid to tread on it, but I do know that there had been no definite or concrete action on it until some few months ago when a Rt. hon. Conservative Prime Minister of Canada (Mr. Diefenbaker) who had only been in office 9 months, sat down with my leader, the hon. Prime Minister of Ontario, and for the first province signed those federal-provincial agreements on hospital insurance.

Now, I would like to say just a few words about unemployment. The subject of unemployment has been booted around this Legislature, and I suppose on every political platform in the Dominion of Canada during the past few weeks and the past few months.

Mr. T. D. Thomas (Oshawa): It is quite a problem.

Mr. Letherby: It is a problem, my hon. friend, but I think sincerely that, although this has been not only a problem for this level of government, and for the government of Canada and United States, it might be well for us to examine carefully some of the causes which have brought about this condition.

I think that unless we do, and make some effort to correct them, we might be in a little deeper and hotter water.

In the so-called days of prosperity, following World War II, we all realized that goods and services were most difficult to get, and the people had to pay whatever was asked from them or go without.

We agree and realize that we have probably one of the highest standards of living of any people in the world. We have more money in the banks and tucked away elsewhere at this particular time than we have ever had before, and the people are refusing to buy the goods which are offered them today because of the high cost of manufacturing.

Now, if we have lost considerable of our foreign markets and our domestic market is threatened, then I think that it is about time that the employer and labourer—that great combination and team which has done so much to build this great standard of living and prosperity for our people—sit down together and try to solve this problem.

I have heard my good friend—and I am sorry that he is not in the House, not that I have anything nasty to say about him—the hon. member for Essex North (Mr. Reaume)—complaining a few minutes ago, asking why we do not buy Canadian-made automobiles.

Well in my opinion, sir, there has been a rat race among the big 3 in the automobile industry for some years now. They are concentrating on bigger cars, more streamlined cars, higher powered cars and greater priced cars. The Canadian people today feel that they can buy these English and German makes of cars for a great deal less money, and get just as good transportation, as they can with these expensive cars.

Now I know, in my own particular case, I am like my good hon. friend from Wellington South (Mr. Worton). He and I are about one axe handle taller than most men in this House, and when we try to get into one of these modern cars it reminds me of crawling into an igloo or going down south. I think that if the automobile industry in Canada would try to make cars to suit the needs and the pocket books of Canadian people, that they would sell them.

That is my answer to the hon. member for Essex North.

It is all very well for these great automobile industries to make cars in such quantity that we cannot sell them, and when there is a mass lay-off the first people to whom the workers turn to is the government. They do not go to the automobile industry. So, sir, I think that it is about time that serious consideration was given to some of these causes.

Well, I can recall this I think, as most hon. members of this House can recall, that during the so-called days of great prosperity following World War II, we were given to understand by the Liberal government of that day, that never again would there be a depression, never again would there be a recession. They said to the people of Canada: "We have a great backlog of public works tucked away on a shelf, and just the very moment that there is any indication of a recession, down she comes off the shelf and away we go." Well, I appreciated that.

We remember that when the government of Rt. hon. Mr. Diefenbaker came into office last June, he, of course, was conscious of this growing unemployment situation and he immediately—which was the wise thing to do—went to that supposed shelf to pull down this great backlog of public works. But like Mother Hubbard's cupboard, the backlog was not there and never had been.

I say, sir, that was hypocrisy and a betrayal of the Canadian people. That was the government, the party at least, which was booted out of office last June for mismanagement of the Canadian people's business, and they are the party today which is trying to get back into office on March 31. I would say, sir, as you would when you preach in your Anglican Church, that by their fruits you shall know them, and on March 31, the Canadian people will give them their answer.

Now I do not think that the government, or the governments of our various levels, have acted unwisely in trying to correct this situation. The federal government, I think, took the necessary steps. They reduced taxes; they helped the western farmer; they increased the old age pension; and as the hon. leader of the Opposition said in his remarks the other day, they instituted a \$1 billion public works programme.

Well, in Ontario we have never had that backlog of public works. For 10 years now we have had an outstanding public works programme going on continually from one

end of this province to the other, and I would like to thank this government for what they have done for my own riding of Simcoe East, to assist my people in their public works project.

I am sorry that the hon. Minister of Highways (Mr. Allan) is not in his seat. The riding of Simcoe East is so geographically situated that all the traffic from southern Ontario must pass through our riding to get to northern Ontario and western Canada. Realizing the difficulty of congested traffic in the summer months, he built additional highways, additional cloverleaves, additional bridge structures and has done a marvelous job on the 20-some miles of trans-Canada highway in my riding.

It has given a great deal of work to a great many men, and as soon as the frost is out of the ground this spring, that mileage will be paved, and he has announced in recent days that the new highway from Crown Hill to Coldwater will be started within the next few weeks.

My people in Simcoe East are very proud of the consideration we have received from The Department of Highways in regard to our problems, and those of the other parts of the province. It is not only a great help to us, but we feel that when these projects are completed they will be of lasting benefit to all the people of the province.

I am sorry also that my hon. friend, the Minister of Public Works (Mr. Griesinger) is not in his seat—he is the man in my riding who builds large public work structures for the hon. Minister of Health (Mr. Phillips), who is in his seat. I would like to thank those two hon. Ministers for the splendid job they are doing by way of public works and welfare in the riding of Simcoe East.

In the town of Orillia—I was there last Saturday and witnessed the opening of two large new structures which have just been built by The Department of Public Works—to my mind, Mr. Speaker, we have now one of the finest public institutions of its kind in this province. My friend the hon. member for St. Andrew (Mr. Grossman) so often speaks of retarded children. This institution houses some 2,700 mentally retarded children, who are getting loving and kindly treatment by some 1,000 employees. The payroll of that large institution amounts to well over \$1 million a year.

We are very grateful for the excellent manner in which that fine institution is being run. It is in the capable hands of Dr. F. C. Hamilton, one of the most outstanding medical superintendents of that particular branch

of health. I am also very happy about the situation at Penetanguishene. At the criminally insane building there, they are completing a 150-bed addition which is costing something like \$2 million. It is about 80 per cent. completed, and I was greatly honoured last November to have the opportunity of laying that cornerstone very ably assisted by my good friends the hon. Minister of Health and the hon. Minister of Public Works and the senior heads of their respective departments.

That to me was a very impressive occasion, and I would like to pay tribute to our good friend Dr. W. A. Cardlow, the medical superintendent of that institution. He had a great part to play in making the arrangements for that ceremony, and was chairman on that occasion. In his gracious way he entertained all who were present afterwards.

Now, also, I would like to pay tribute to the hon. Minister of Lands and Forests (Mr. Mapledoram). During the past few weeks, he has had employed in my riding some 150 or 200 additional men to build fire access roads and to work on our national park.

Seldom, if ever, is the hon. member for Beaches (Mr. Collings) out of his seat, but I would like to reiterate, as the hon. Prime Minister said yesterday, that he, in a few weeks will be building us a liquor store in Midland. That all adds up to the grand total of the public works projects which are going on in the riding of Simcoe East.

I am not one to be pessimistic or to preach blue ruin, but I think this province, and this country, are going forward to one of our greatest periods of prosperity. The hon. Prime Minister, while speaking in this House the other day, drew attention to the public works and the public buildings which were going forward on a two- or three-mile stretch up here on Eglinton avenue. Well, as I trot back and forth to the Royal York hotel, on foot, I notice that there are great skyscrapers going on at the lower end of the street, and in every section of this city great public works are going forward, not only in this city, but in every other place in this province.

I think that if we are all honest with ourselves, we will agree that we are heading into a period of great development, great prosperity, and into the period of the greatest part and time of our nation.

I am going to take the cue of the good member for Wellington South. When he finished his address the other day, he said that he was going to be guided by the hon. Prime Minister.

When speaking in this House last year, the hon. Prime Minister said that he thought it

was a good thing for the hon. members to take part in as many debates and opportunities as they could, but to confine their remarks to about 20 minutes. I agreed with him then and I agree with him now. I think that outside of the hon. Prime Minister, the hon. members of the Opposition, the hon. leader of the Opposition, and probably the cabinet and other key members, most of us can confine our remarks to about 20 minutes.

In my case, I can listen with rapt attention to any speaker for 20 minutes even though he has nothing to say, and a little bit longer if he has something to say, but when he gets a little beyond that I start to get a bit restless.

Now, like most good hon. members in this House, I like to attend my church regularly, and I can sit with rapt attention with every evidence of guilt in my face and listen to my minister for 20 minutes. But when he preaches on the great faith of our fathers, or expounds the great doctrine of the Presbyterian Church or belabours the evils of old Beelzebub much beyond that, I start to squirm and that feeling of guilt starts to leave me, and I start to think of worldly things, and I even look out the window.

It does not do me much good to look out the window because they are frosted and painted, and I sometimes wonder if that is the reason why our church windows are frosted and coloured so that when the members get tired listening to the preacher they cannot look out the window. No offence to you sir, Mr. Speaker, you would not be guilty.

I am going to conclude my few remarks with a story that was told by the late Mark Twain some years ago.

Mark Twain was down in Hartford, Connecticut, on a week end, and he decided to attend church on this particular Sunday morning.

A missionary was occupying the pulpit. This missionary had a marvelous voice, and was preaching with such great simplicity about the trouble of his natives back home that Mark Twain said: "I mentally doubled the 50 cents that I intended to put on the collection plate. He went on and told about the terrible state of those natives, and I felt that the \$1 bill was no good, I better put on a \$5 bill when the collection plate came around.

"He went on and told about the terrible state of those savages, till I felt that all the money I had on me was not sufficient to give, and I decided to write a large cheque.

"The missionary went on and on about those natives, until his voice finally came down to a drawl.

"I perished the thought of giving this large cheque, and I came down to the \$5, and he still went on and on, so I got down from \$5 to \$4, then \$3, \$2, and the \$1. You know, when that collection plate came around I reached in and took 10 cents off it."

Now, Mr. Speaker, just in case any hon. member should want to take anything from what few remarks I have made, I think that I will conclude by saying that it has been a great pleasure, a great privilege, and an honour to me to be associated with the fine fellowship of all hon. members of this House, regardless of their party affiliation, and with the fine staff that we have had to serve us over these months.

It is my sincere wish that each and every one of us will be blessed to return and continue that fellowship another year.

Mr. A. Jolley (Niagara Falls): Well, Mr. Speaker, in rising to make a few remarks with respect to the budget debate, I can assure you that I will not take up too much of your time, but I have a few remarks I would like to make.

At the outset, sir, I feel that I would be remiss in my duty if I did not congratulate you on the very splendid manner in which you have handled the affairs of this House.

Also I would like to pay a tribute to the late Fletcher Thomas and the late Tom Pryde for the service they rendered to this House during their term of office. Also, I would like to congratulate the two new hon. Ministers, the member for Ontario (Mr. Dymond), and the member for Cochrane South (Mr. Spooner), for the way they have handled their duties this year.

I want to pay a tribute to the hon. Minister of Public Works (Mr. Griesinger) for the manner in which he has looked after so many of my problems in the Niagara Falls riding, for the new provincial police building at Niagara Falls, and also for the new building under consideration at Fort Erie to house the provincial police and The Department of Travel and Publicity.

I want to thank the hon. Minister of Health (Mr. Phillips) for the co-operation that he has given the hospital board and myself on the splendid new hospital that is being built at Niagara Falls, which will be completed about April 1.

Particularly do I want to pay tribute to my hon. friend and my neighbour, should I say,

the hon. Minister of Labour (Mr. Daley), who is now not only the hon. Minister of Labour, but the chairman of the Niagara parks commission, for the way that, over the years, this park has been cleared of debt. I appreciate the manner in which the Niagara parks commission have paid their way as they have constructed new buildings, added to the buildings that were there, renovating and taking care of the problems each and every year as they have come along.

Today the park is debt free, and they are paying their way every year without any debt being added to the park problems. They have put new lights to shine on the Falls and built an addition to the park restaurant; they have renovated Queenston Heights and generally developed the roads running for 35 miles out from Niagara-on-the-Lake to Fort Erie.

Also, since this is a budget debate, I wish to pay a tribute to the hon. Prime Minister (Mr. Frost) for what I consider the splendid budget which he brought down, and in the manner in which it was delivered.

I do not choose to be belligerent, I think that every hon. member in this government knows that, but there are two things tonight that I want to mention.

I was glad to hear my good hon. friend from Essex North (Mr. Reaume) suggest to the hon. government Ministers that next year, when they bring down the budget, they should make sure they use their own judgment. I am glad to hear the hon. member say that, because that is just assuring us that we are going to be here. Also—

Mr. Reaume: Will there be an election?

Mr. Jolley: I do not know, sir.

Mr. MacDonald: June or November?

Mr. Jolley: I did not say.

Also, sir, I want to say this, I know that the hon. member for Brant (Mr. Nixon) is a very fine gentleman, I honour his term of office. I admire him as a gentleman, and I appreciate his wisdom.

But in the past weeks that we have been sitting here, all I have heard from the Opposition is: "Why does the government not pay more money towards the cost of education; why do they not take on the housing problem; why do they not give money to ease the unemployed; why do they not do this and why do they not do that?" Then, in finalizing his speech tonight or this afternoon, if you want to call it this afternoon, he finalizes by saying, and I think that I quote him almost verbatim, "either the gov-

ernment cuts out this spending or the people will do as they did in 1934, put in a Liberal government."

Now I say to hon. members, it is as simple as this, I am not a brilliant mind but I say that the hon. members of the Opposition cannot suck and blow at the same time. They should make up their minds if they want this government to spend the money for schools, housing, roads, unemployed, or cut out the spending. Now, they cannot have it both ways.

Now I do not feel offended toward the hon. member for Brant. I repeat that I admire him as a gentleman. I know his length of office here. I have no intention of taking him on in battle because I would probably be unarmed. But I say that it is as simple as that to the Opposition, they cannot have it both ways. Now with that, sir, I close. Thank you.

Mr. G. C. Wardrope (Port Arthur): Mr. Speaker, I beg leave to adjourn the debate.

Motion agreed to.

Hon. Mr. Frost: I move that the committee do rise and report progress.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: The committee of supply begs to report progress and begs leave to sit again.

Report agreed to.

Hon. Mr. Frost: Mr. Speaker, I move that you do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to; House in committee of the whole.

THE SUCCESSION DUTY ACT

House in committee on Bill No. 139, An Act to amend The Succession Duty Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 139 reported.

THE ASSESSMENT ACT

House in committee on Bill No. 142, An Act to amend The Assessment Act.

Sections 1 to 4, inclusive, agreed to.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, I wonder if you would allow me for one

moment to go back to section 2? Would the hon. Prime Minister (Mr. Frost) tell me—the amendment provides that property used as a caretaker's residence, and so on, in a cemetery is not exempt from taxation. Would this apply to municipal cemeteries?

Hon. W. K. Warrender (Minister of Municipal Affairs): Yes, I believe it would, Mr. Chairman, yes.

Mr. Thomas: And private cemeteries, too?

Hon. Mr. Warrender: Private cemeteries too, yes.

Sections 4 to 14, inclusive, agreed to.

Hon. Mr. Warrender: Mr. Chairman, may I revert to section 2 of the bill, please? I must confess there has been some objection to assessing residences of caretakers in cemeteries where they would have been municipal otherwise. As there is going to be some objection to it here, I would not mind if it were deleted from the bill.

Mr. Thomas: Mr. Chairman, the reason I raised that point was this: that there are municipal cemeteries where the caretaker lives on the property and I see no reason why he should not be exempt from taxation, too.

Hon. Mr. Warrender: Well, there are 25 municipalities that asked for this very thing. As I say, I have had some objections from other quarters, and if the hon. member wishes to delete it, I would be quite willing to have him do so—have section 2 deleted from the bill.

Mr. Thomas: The hon. Minister is not going to move that. I have not the information that the hon. Minister has, I just wanted to look into that.

Hon. Mr. Warrender: I move that section 2 be deleted, Mr. Chairman, and the remaining sections be renumbered.

Vote agreed to.

Section 14 to 18, inclusive, agreed to.

Bill No. 142, reported, as amended.

THE MUNICIPAL ACT

House in committee on Bill No. 143, An Act to amend The Municipal Act.

Sections 1 to 10, inclusive, agreed to.

Bill No. 143, reported.

THE UNIVERSITY OF TORONTO ACT, 1947

House in committee on Bill No. 145, An Act to amend The University of Toronto Act, 1947.

Hon. W. J. Dunlop (Minister of Education): Mr. Chairman, I move that section 1 of this bill be struck out and the following substituted therefor:

Section 17 of The University of Toronto Act, 1947, as amended by section 1f of The University of Toronto Amendment Act, 1953, is repealed and the following substituted therefor:

The board shall consist of the chancellor and the president of the university who shall be *ex officio* members and 32 persons appointed by the Lieutenant-Governor-in-Council.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Chairman, would the hon. Minister explain the exact nature of that change?

Hon. Mr. Dunlop: Yes, it is to get rid of what was 17(2) in the printed bill, because the alumni federation of the University of Toronto no longer exists. The different faculties have their own alumni now, and this particular provision that was there, I am informed, has not been used, so there is no need to continue it.

Section 1, as amended, agreed to.

Sections 2 and 3 agreed to.

Bill No. 145, as amended, reported.

THE VETERINARIANS ACT, 1958

House in committee on Bill No. 146, The Veterinarians Act, 1958.

Sections 1 to 22, inclusive, agreed to.

Bill No. 146 reported.

Hon. Mr. Frost moves the committee do rise and report certain bills without amendments and certain bills with amendments.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole begs to report certain bills with amendments and certain bills without amendments and begs leave to sit again.

Report agreed to.

TOWN OF EASTVIEW

Mr. G. F. Lavergne moves second reading of Bill No. 42, "An Act respecting the town of Eastview."

Hon. L. M. Frost (Prime Minister): I would ask Mr. Speaker to direct the Clerk of the House to read the report from the chairman of the municipal board and also a letter addressed to the members of the committee by the hon. Minister of Municipal Affairs.

Clerk of the House: In the matter of rule 75 of the Legislative Assembly of Ontario, and in the matter of Private Bill 42, "An Act respecting the town of Eastview," in accordance with the provisions of rule 75 of the Legislative Assembly of Ontario, a copy of the above bill and the petition on which it is founded has been transmitted by the Clerk of the House and the board has accordingly, within the limited time available, caused an inquiry to be made into the allegations set out in the bill, and the financial affairs of the municipality insofar as they can be ascertained at the present time. For such purpose the board has availed itself of the following sources of information:

(1) The annual reports of municipal statistics as issued by The Department of Municipal Affairs for the years 1952 to 1956 inclusive;

(2) The audit report of the town of Eastview and its local boards for the year ending December 31, 1956, as certified by the municipality's auditors, Messrs. Hector Menard and Lucien Masse, and dated June 4, 1957;

(3) A preliminary statement of the town's revenue fund balance sheet as at December 31, 1957, and a preliminary statement of the revenues and expenditures of the municipality for the year 1957;

(4) A financial analysis of the affairs of the town for the years 1952 to 1956, inclusive, prepared by the audit branch of The Department of Municipal Affairs, showing the variances between actual and budgeted revenues and expenditures for the years 1952 to 1956, inclusive, and listing the major items con-

tributing to an excess of expenditures over the annual budgets;

(5) A statement of municipal road expenditures incurred and subsidies paid for the years 1951 to 1956, inclusive, as prepared by Mr. J. V. Ludgate, municipal engineer of The Department of Highways, and dated March 1, 1958, with an accompanying letter bearing the same date, estimating that the maximum amount due from the department to the town in respect of 1957 expenditures is approximately \$11,000, being a reduction of some \$78,000 from the amount shown in the preliminary revenue fund balance sheet referred to in paragraph (3) above;

(6) Detailed information and explanations supplied to the chairman of the board at a conference in his office on March 3, 1958, attended by the mayor, the town clerk, the assessor, a representative of the auditors and the town's solicitor. At that time a detailed statement of accumulated current deficits of the municipality for the years 1955, 1956, and 1957, was supplied by the town solicitor, in the amount of \$481,075.04, including accumulated discount on debentures sold during the 3-year period amounting to \$32,439.78.

Findings of fact:

1. As the town's auditors have not completed their financial audit for the year ending December 31, 1957, and in particular, have not verified all of the items shown as current assets on the preliminary revenue fund balance sheet; the board's findings of fact are necessarily subject to correction after the final audit has been completed to the satisfaction of The Department of Municipal Affairs.

2. Subject to the above, the board finds that the actual accumulated deficit of the municipality as of December 31, 1957, amounted to \$565,497.16. Included in this amount is the accumulated deficit of the high school board as of December 31, 1957, amounting to \$26,736.45.

3. The board finds that the current position of the municipality as of December 31, 1957, was as follows:

CURRENT LIABILITIES OVERDUE AND UNPAID

Bank Overdrafts	\$ 36,951.71	
Bank Loans—Current	410,000.00	
Construction	47,818.71	
Coupons Due and Unpaid	2,530.48	
Due to Schools	13,444.36	
Due to County of Carleton		
for 1957 County Rate	156,234.31	
Sundry Amounts Payable	<u>2,799.53</u>	
		\$669,779.10

CURRENT REALIZABLE ASSETS

Cash on Hand	\$ 2,175.25	
Taxes Receivable (including interest and penalties less reserve for uncollectable taxes)	70,333.25	
Water Rates Receivable	13,623.64	
Due from Province of Ontario:		
Highways	\$11,000.00	
Sundry	3,167.32	
Sundry Accounts Receivable	14,167.32	
	<u>3,982.48</u>	
		<u>\$104,281.94</u>
		\$565,497.16

4. The board finds that the accumulated current deficit has not been caused by the "inability, neglect, or refusals of owners of land in the municipality to pay the taxes due thereon" as set forth in the petition, and this was frankly admitted by the representatives of the municipality. The use of these words in the petition was apparently due to an error on the part of the solicitor for the municipality.

5. In the opinion of the board the accumulation of the above current deficit of the town of Eastview has been due to a combination of the following causes:

(a) a failure on the part of the council in each of the past 5 years to prepare and adopt realistic estimates of revenues and expenditures, including any operating deficit for the previous year as required by section 311 of The Municipal Act;

(b) a failure on the part of the council during the same 5 years to levy taxes sufficient to raise the net estimated expenditures and the principal and interest payments payable on the debts of the corporation falling due during the year as required by section 308 of The Municipal Act;

(c) failure on the part of the council and the municipal officials to limit current expenditures to the amounts authorized in the annual budgets, or to provide for such excess expenditures by special levies;

(d) failure on the part of the council to levy for substantial deficits sustained on the sale of debentures as required by section 339(3) of The Municipal Act;

(e) failure on the part of the council to levy amounts sufficient for the payment of the county rates including the county's share of the additional levies made under section 51 of The Assessment Act.

6. The board finds on the available evidence and information that substantial current deficits have been accumulating within the past 4 years as follows:

December 31, 1954	\$ 72,800.00
December 31, 1955	92,355.00
December 31, 1956	253,650.00
December 31, 1957 (est.)	565,497.00

7. The board finds also that no part of the accumulated current deficit can be attributed to the undertaking of capital expenditures not approved by the board, and that all the debentures issued with such approval have been duly sold and the proceeds received prior to December 31, 1957.

Recommendations of the board:

(1) In view of the facts disclosed by the board's inquiry the amount proposed to be raised by the sale of the proposed debentures is clearly insufficient to cover the true amount of the floating debt incurred by the municipality, unless the corporation is prepared to increase the amount to be provided in the 1958 tax levy, or is able to sell the debentures amounting to approximately \$485,000 at a reasonable rate, instead of the amounts set forth in the bill. The board, therefore, cannot recommend that the bill should be passed.

(2) If, notwithstanding the above recommendation, the Legislature deems it desirable that the bill be passed in an altered form, the board submits the following recommendations:

(a) the preamble of the bill should be amended so as to show accurately the correct amount of the floating indebtedness and its causes;

(b) section 1 of the bill should be amended to show accurately the true amount of the floating debt to be consolidated with a corresponding increase in either the amount of the debentures to be issued or the amount to be provided in 1958 tax levy or both;

(c) section 6 of the bill should be amended to provide that the provisions of sections 61, 67 and 68 of The Ontario Municipal Board Act shall not apply in respect of the debentures to be issued under the authority of the special Act and to provide further that no by-law providing for the issue of debentures under the authority of the special Act shall be passed without the approval of The Department of Municipal Affairs;

(d) the board further recommends that the Act be amended to provide that, so long as

any debentures authorized by the Act are outstanding and unpaid, The Department of Municipal Affairs shall have control and charge over the exercise by the municipality and every local board thereof, except the separate school board, of the matter set forth in paragraphs (a), (b), (c), (d), (e), (f), (g), (h), (i), and (l) of section 33 of The Department of Municipal Affairs Act, and that subsection 1 of section 42 of the said Act, during the same period, shall be deemed to apply to the municipality.

Precedent for the issue of debentures to consolidate floating debt is to be found in the following Acts.

The town of Eastview Act, 1927 (17 George V, C. 107), \$120,000, 20 years.

The town of Eastview Act, 1931, (21 George V, C. 91), \$75,000, 20 years—special restrictions imposed.

All of which is respectfully submitted to the hon. members of the Legislative Assembly.

Dated at Toronto this 17th day of March, 1958.

Addressed by myself as Clerk of the House, signed the Ontario municipal board per Mr. Cummings, chairman.

We also have the following, dated Toronto 2, March 18, 1958, and is addressed to the chairman and members of the private bills committee.

It reads:

GENTLEMEN: I have now had an opportunity to study the report and recommendations of the Ontario municipal board in the matter of rule 75 of the Legislative Assembly of Ontario and in the matter of private bill No. 42, "An Act Respecting the Town of Eastview."

The recommendation of the board that the bill be amended to provide that so long as any debentures authorized by the Act are outstanding and unpaid, The Department of Municipal Affairs should have control and charge over the exercise by the municipality and every local board thereof, except the separate school board, of certain matters as set forth in the noted portions of section 33 of The Department of Municipal Affairs Act and that subsection 1 of section 42 of the said Act should be deemed to apply was made in consideration of the legislation in effect at this time.

However, it is proposed that at the appropriate time during the present session to recommend to the House an amend-

ment to The Department of Municipal Affairs Act which will enable the department to render advice and assistance to the municipalities that can benefit therefrom, both with respect to their financial and other affairs. In this way, I believe, the department can render the same assistance as though a municipality was placed under formal supervision, if the municipal authorities are desirous of having and accepting such advice. It will still remain the right of the department in the event that a municipality fails to co-operate to apply to the municipal board that they bring the municipality under the provisions of part 3 of The Department of Municipal Affairs Act.

I would recommend to the committee therefore that no action be taken on the final recommendation of the board in this matter in view of the further amendment which it is supposed to submit with respect to The Department of Municipal Affairs Act.

This communication is signed by William K. Warrender, Minister of Municipal Affairs.

Mr. D. C. MacDonald (York South): Well, Mr. Speaker, some at least of the comments that I would like to make on this Act, I would have made in committee if there had been an opportunity. I hasten to add that, not having had that opportunity was partly my own fault. I was attending a meeting of the standing committee on agriculture, and at the hour of 10, when this committee on municipal law was due to meet, we were at that very point dealing with an amendment to the Act, changing voting procedures, which the House will recognize as something in which I am very much interested.

I got away from the committee about 3 or 4 minutes after 10, got down to the municipal law committee at 5 minutes after 10, to find that one minute later their business was dispatched. I must say that was a record for this year.

Furthermore, that committee had met, we assumed, under the suggestion or instruction of the hon. Prime Minister, given the previous day in this House, that the report which we have just now heard from the municipal board would be read. My information is from those who were attending that committee that it was not read, that just a few highlights were dealt with.

Having made these few preliminary words of explanation, Mr. Speaker, I want to say this—that to my knowledge this bill, and the report of the municipal board, which one

must take in conjunction with the bill, represents one of the most shocking pieces of legislation that has ever been brought before this House.

In the first place, the first draft of this bill completely misrepresented the situation. I suggest to you, Mr. Speaker, that it was an insult to both the intelligence and the integrity of this House that it should ever have been presented.

The first draft of this bill stated that the reason as stated in the petition for it being brought forward, and I am quoting, was:

the inability, neglect, and refusal of owners of land in Eastview to pay the taxes thereon.

Now the comment of the municipal board in that connection is, and I am quoting again:

The use of these words in the petition was apparently due to an error on the part of the solicitor for the municipality.

Now all I will say with regard to that, Mr. Speaker, is that it taxes the credulity of the average person, that this basic reason for a petition should have been due to an error on the part of the solicitor. I find it not only difficult, but impossible, to believe.

Secondly, this House was given false information, either wittingly or unwittingly, that the reason for the bill was that there was a floating debt of \$402,000.

The report of the municipal board indicates that when they investigated—and they emphasize that their investigation is just a tentative one—the floating debt was not \$402,000 but it was \$565,000.

The report of the municipal board goes on and it states that the real reasons for the conditions that provoked the presentation of the bill to this House were trivial:

One, a failure on the part of the council in each of the past 5 years to prepare and adopt realistic estimates of revenue and expenditure, including an operating deficit for the previous year.

Secondly, a failure on the part of the council, during the same 5 years, to levy taxes sufficient to raise the net estimated expenditure and the principal and interest payments payable on the debt of the corporation falling due during the year.

Thirdly, a failure on the part of the council and municipal officials to limit current expenditures to the amounts authorized in the annual budget, or to provide for such expenditures by special levies.

Fourthly, a failure on the part of the council to levy for substantial deficits sustained on the sales debentures.

Fifthly, a failure on the part of the council to levy amounts sufficient to the payments of the county rates including the county's share of the additional levies.

Now, Mr. Speaker, I want to suggest to you that that multiple failure adds up—and incidentally, in 4 of the 5 instances being in direct contravention of a specific section of The Municipal Act—that 5-fold failure adds up to nothing more or less than gross mismanagement.

Now I think, Mr. Speaker, the facts pose us in this Legislature with a question. Have we the right as legislators to exonerate such gross mismanagement in direct violation of the laws whose administration it is our solemn duty to oversee? Or to put the question another way: are the citizens of the municipality in question, who are the real victims of this gross mismanagement, not entitled to greater protection than the mere passage of an Act which just wipes the slate clean?

If we take a look at the recommendations of the municipal board, we will find that the first recommendation concludes with this sentence, which is a definitive sentence, it is this:

The board therefore cannot recommend that the bill should be passed.

Then they go on to the second recommendation, and they state that “notwithstanding the above recommendation”; in other words, implicit in those words is that our first recommendation is the one we want to stand, this bill should not pass, but then they go on:

If notwithstanding the above recommendation, the Legislature deems it desirable the bill should be passed, then 4 amendments should be made.

The interesting thing was that, in committee the other day, 3 of those amendments were made, the fourth one was not made, for reasons that, I must confess when I read this, mystified me. Their explanation is to be found in the letter which the hon. Minister of Municipal Affairs had written to the committee and which was, I understand, not read to the committee.

The thing that still puzzles me about that letter, Mr. Speaker, is this the chairman of the municipal board is a very knowledgeable man on municipal affairs. The chairman of the municipal board knows now what the law

and the regulation is, with regard to powers of any government department to take a municipality, that is in this position, under its supervision, presumably.

I find it difficult to believe that this would not be the case. The chairman of the municipal board was fully cognizant of the fact that the government had a bill before the Legislature to alter the picture, and yet, in spite of all that, the chairman of the municipal board says: "If you cannot accept my first recommendation, which is that the bill should not pass, then if you must proceed with it, notwithstanding that recommendation, then the affairs of the municipality in question should come under the control and charge of The Department of Municipal Affairs."

The thing that disturbs me most about this, and I speak extremely seriously about this, because without getting into anything that might arouse undue provocation on matters that are irrelevant, we had a very stormy session in this Legislature a year ago which, it is my firm conviction, arose originally out of a deliberate contravention of the powers of the municipal board. I am referring to the Scarborough bill, and here we have another situation which in the first instance did not come through the municipal board because it was not capital works, either done before or after the municipal board had a chance to express their view on it.

But here we have another instance in which the municipal board states, after an examination of the situation, after providing us with information which proves that the first bill presented to us was false information, here we have the municipal board saying that this should not pass, but that "if you would pass it, if you, in your wisdom in the committee, decide that it should pass, then we recommend that it should be passed only on the understanding that the affairs of the municipality, with the exceptions indicated, shall come under the control and the—what is the correct word—the control and charge of The Department of Municipal Affairs."

Mr. Speaker, I want to suggest to this House that to pass this bill is in open defiance of the municipal board, and while there are some things that today come under the jurisdiction of the municipal board, which I seriously doubt the wisdom of having them there, such as zoning by-laws and lots of the things we discussed the other day, the one thing that was the original purpose of the municipal board and I think is its main function, is that the municipal board shall

be the watchdog over finances in the municipalities in this province.

Mr. Speaker, I suggest to you very seriously, that I do not think we as legislators can proceed in open defiance of a solemn recommendation of the municipal board, in the situation in which they obviously are very disturbed, and therefore my suggestion to the hon. Prime Minister, or whoever is the relevant person, is that this bill should be withdrawn.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, I want to say with reference to the last point made by the hon. member for York South, it seems to me in listening to the report of the municipal board that they said, as my hon. friend suggests, two things: the first one was that in their judgment the bill should not pass; secondly, if in the wisdom of this Legislature, the bill should go through, then it should not go through unless it be amended in the ways that are outlined in the municipal board's report.

It is my understanding that 4 out of the 5, or 3 out of the 4, recommendations are contained in the bill by way of an amendment. The fourth one is—and I think pretty well covers it—contained in the amendment to The Municipal Act.

My thinking on this runs along this line, Mr. Speaker. I cannot see, personally, why the municipal board said that we should not pass this particular bill. I mean, what position are we in, what position is the town of Eastview in, if we refuse to pass this particular bill?

I am not going to condone for a moment, and I doubt very much if we are the ones to either condemn or to condone, or to pass on, the particular affairs of the town of Eastview.

But the point, it seems to me, is that the condition has been created. The condition, deplorable as it is, is there. The situation has to be met.

Now, it seems to me that it cannot be met if we do not pass a bill of this kind. How are we going to meet it? Therefore, I suggest that the municipal board in that connection, in my way of thinking at least, was in error.

The other point I want to outline stems from the report of the municipal board.

It is inconceivable to me, Mr. Speaker, how a municipality could have successive deficits over a period of 5 years, as has been the case in the instance of the town of Eastview, without that condition coming to the notice, first of The Department of Municipal Affairs

and then, by the route that is well travelled, to the municipal board. Reports must, I think, go in from each municipality to The Department of Municipal Affairs.

Now that department must have been cognizant of the growing danger of the situation in the town of Eastview. I suppose that that is what this amendment, which the hon. Minister refers to, deals with. Well, if it is, I think we should have had it long ago. We should have had it at least 5 years ago, as far as Eastview is concerned.

In a final word, Mr. Speaker, the situation is as it is in Eastview. Whether it was mismanagement or whether it was not, it seems to me that our task here is to enable the people of the town of Eastview to meet the condition that presently exists.

In the furtherance of that belief I am prepared, for one, to vote for the bill, even at the same time deploring the conditions that exist. But it seems to me that at this stage we have got to make the best out of what is a bad job.

Hon. Mr. Warrender: I will start at the beginning, and that is always a good place to start.

May I point out that our Department of Municipal Affairs auditors did recognize there was a danger about two years ago, and were not apparently too concerned about a couple of deficits, thinking they could catch up with it by an increase in the mill rate.

But when it became apparent, about a year and a half ago, that this was becoming a dangerous financial situation, I spoke to the council, the mayor, the hon. member for Russell (Mr. Lavergne) and his council, warned them of the danger and asked them to take some measures to correct the situation.

Unfortunately, that was not done and the condition grew worse. I was forced to call them in again, and warn them that now there was no way to correct it, they must take out a private bill.

The private bill was prepared, and I want to make this clear, not by our department, of course, lest there be any mistake about that, but by the solicitor acting for the council at Eastview. Why there were discrepancies in the bill I am not prepared to say, the fact remains that there were discrepancies.

The deficit actually was \$565,000 plus. Now this, of course, is a very alarming situation to us, and no doubt concerned the board, as is obvious by the recommendation made by the chairman of the municipal board.

I say to you, sir, that there is nothing illogical in what the chairman has said under his recommendations numbered 1 to 2 of the sub-clauses, and the only thing that the members of the board could say, after viewing this rather alarming situation, was that under the chairman's recommendations the board therefore cannot recommend that the bill should be passed, but nowhere does it say that the board refuses to turn it down. They point out, however, that this is a serious situation.

Now there is only one alternative logically, as the hon. leader of the Opposition said. If we do not pass this bill, where do the citizens of Eastview stand? They cannot do any of their financing and they are in almost an intolerable position.

Furthermore, bad as this may seem, it is not actually so bad when one knows other conditions which exist, and I have gone into this rather thoroughly, and I want to point out some of those conditions to the hon. members of the Legislature.

The fact is that a firm of brokers in Ottawa, whose name I shall not mention, but I have seen the letter, made a firm offer to buy the debentures of this corporation in the amount of \$400,000 at a good rate of interest and at a good yield. I am satisfied that if our department gets into the picture, and it is placed under our control and charge, that their credit will be re-established, and I am convinced they can sell this amount of debentures as indicated in the bill, namely, \$485,000, if they look after current debt in the amount of \$80,497.

In addition to that, I learned from the council of Eastview that it is their intention and certainly would be our duty to see that this was done. It is their intention to have a reassessment of the whole of the municipality.

If one notices the schedule that I handed around concerning these equalization factors for all the municipalities, the hon. member for Bruce (Mr. Whicher) although he is not here tonight, I know he will confirm this, was going over the list and immediately spotted the one of Eastview, which was I think 45 per cent. or 46 per cent. away below the manual of assessment.

Now it is obvious to us in The Department of Municipal Affairs that, if they have a reassessment and bring it within the manual, their assessment is going to be about double. On checking the result of that, I find that their debenture debt in relation to their assessment is only going to be about 17 per cent.

There are many municipalities across this province which have that relationship of debenture debt to their assessment, which is not alarming to us in the least. As a matter of fact the municipal board has on occasion—not as a rule of thumb, but sort of as a guide—said that if the debenture debt in relation to the assessment is about 15 per cent., 17 per cent. or 20 per cent., it is acceptable to them, and it is not too much trouble so far as the financial situation in a given municipality is concerned.

So to conclude, unfortunate as the situation is, it is far from being as bad as some persons paint the picture, and I am satisfied that if we do, as requested by the chairman of the municipal board, put our men, who are experts in this field, into this municipality, and assist them to get their finances in order, in a short time, within a year or two, we will be able to bring them out of this situation and back to some order.

Now I am satisfied, as I say, that the debentures can be sold. I am satisfied that with reassessment they are going to be in a good financial position. But it will be the duty of the council to face up to the situation, and levy the necessary amount to make up whatever is needed for current expenses, plus the principal and interest of this particular amount of money which is going to be needed for debentures.

That is all I have to say for the moment. But it could be a hopeless situation if this House were to refuse to pass this bill—well, I say to hon. members, what is going to happen to the municipality of Eastview? I say that given the opportunity I am convinced that our department can bring them out of this financial crisis and back to a good financial state.

Mr. MacDonald: Mr. Speaker, I have a question—

Mr. Speaker: The hon. member is allowed to speak only once.

Mr. MacDonald: I realize that, I just want to comment, if I might, Mr. Speaker, I will be very brief.

Mr. Speaker: Just a question only. This is on the principle of the bill. If the hon. member wants to put a question, it should come in the course of the committee.

Mr. MacDonald: All right, we will watch that the same latitude is maintained in other cases.

Mr. Thomas: Mr. Speaker, when the Clerk of the Legislature read out the report from the municipal board, he said “in view of the limited time available.” Was there any restriction in respect to time? Did the board have to present this report to the Legislature at a certain time? Was there any specification of time laid down?

Hon. Mr. Warrender: I think what the chairman of the board had in mind there was that he was trying to meet one of the times laid down for the private bills committee. There was no other limit so far as I know. I certainly made no limit.

Mr. Thomas: Mr. Speaker, I do think it is about time the hon. members of the Legislature look at this circumvention that is taking place in getting around the municipal board. I believe the board is doing a very fine job, and I think we are openly encouraging municipalities to present a private bill in this House for the issue of debentures that have not already been approved by the municipal board.

Now, in this particular case the report of the board gives 5 failures on the part of the council. Over a period of 3 or 4 years they failed on this, failed on something else, there are 5 failures there altogether.

Now, if the Legislature is to approve this amount of money, of \$565,497, how are we to know that if approval is given to the local council to issue debentures for that amount, that it will not hand it back to a council that will mismanage the spending of that money, the same as has been mismanaged this last 4 or 5 years, unless we have the supervision of the department? And I say this, Mr. Speaker, that if we do approve this bill, then we should insist on one thing, and that is this, that the department should go in there and supervise the affairs of that council.

Mr. MacDonald: Mr. Speaker, I have a question I would like to put to the hon. Minister. The hon. Minister is very much aware of the fact that the municipal board is a highly responsible body, very much aware of the problems of municipal finance. They knew that this would be a hopeless situation as he describes it—

Hon. Mr. Warrender: What is the question?

Mr. MacDonald: My question is this: Knowing all this, why then did they recommend that the bill should not be passed?

Hon. Mr. Warrender: The answer to the question is this: The board did not say it should not be passed, the board therefore cannot recommend that the bill be passed.

Mr. MacDonald: Their recommendation.

Hon. Mr. Warrender: The hon. member asked me a question, and I will try to answer it if he will give me an opportunity.

The board therefore cannot recommend that the bill should be passed. They knew logically that if they said this bill shall not pass, then the whole community would be in a hopeless financial situation. They, therefore—the way I interpret this thing—took a very dim view of the whole situation, as well they should; but at the same time they say: “In spite of this situation, we will let it go on under certain conditions.”

Mr. MacDonald: That is the interpretation of the hon. Minister.

Hon. Mr. Warrender: Well, that is my interpretation, and if this bill is passed, and I hope it will be, we are going in, on the recommendation of the board, to control and take charge of that municipality.

In answer to the hon. member for Oshawa may I add this explanation: If the situation is not cured within a reasonable time, the hon. Minister of Municipal Affairs, whoever he may be, has the power to put that municipality under what is known as formal supervision. But I do not think it necessary at this time, and I hope in a short time to prove that to the House.

Hon. Mr. Frost: As has been said, the taxable assessment of this community is \$6.217 million. The factor is 45 per cent., therefore the assessment of the municipality would run about \$14 million.

At the present time, this is where the problem has arisen: The per capita taxation in this town is only \$36.25, and that is the crux of the thing, the taxes have been too low.

The Department of Municipal Affairs has certain supervisory powers which are now in the Act, which were not as a matter of fact introduced to have anything to do with Eastview, but was in connection with some of the other municipalities that I have mentioned.

If the department can, in the course of 3, 4 or 5 years, bring this municipality out of difficulty—and I think they can—it seems to be plain on the face of it that their per

capita taxation and their per capita debt is low in view of their assessment—without putting the community, as it were, into a bankrupt position of supervision, I think so much the better.

On the other hand, the difficulty with the board's recommendation is this, as I see it: that if the municipality is put under supervision by statute, then of course you have to take it out of supervision by statute, and would have to do it by means of another bill, while all of the powers are in the Act itself. There are powers first of investigation and advice, and secondly, there is the power of supervision upon the application of the hon. Minister and an order of the municipal board. Now why put those things in the Act when they are already there, and when they can be used? This matter is here before this Legislature because of the advice of the hon. Minister on the outline as he has already given to us. It does seem to me that this would be the normal thing to do.

The hon. leader of the Opposition made some comments which I agree with. After all, the matter of the mayor and the council and their actions are accountable to the people of Eastview. I notice a copy of the *Citizen* here. Perhaps some of the hon. members have seen this, it is worthwhile seeing. Apparently the citizens have their own ways of judging matters, they seem to have approved of the action of the council.

I do not know that it is our business to do any more than this, to see that the proper steps are taken to assure that the solvency of this council and the municipality of Eastview be maintained according to the rules, and that is what is being done.

Mr. H. E. Beckett (York East): I just want to say a word about the bill when it was before the committee on private bills. The committee met as usual at 10 o'clock and the chairman said we were going to deal with Bill No. 42, dealing with the town of Eastview.

I had made some notes on the matter, and explained to the committee in detail the significance of the report of the Ontario municipal board and rule 75 of the House and then the chairman said to the committee: “Do you want the whole report of the board read?” The committee said: “No, let us have the recommendations of the municipal board.” So we went into the recommendations and dealt with each one separately.

The hon. member for York South was present when we dealt with each section of the bill as amended.

The chairman very carefully said: "Is there any opposition or any objection?" and I moved the amendments which were seconded by the hon. member for Kenora (Mr. Wren) and each time the chairman was careful to say, "Are there any objections?"

The hon. member for York South had an opportunity, and we did carefully explain why the bill was being amended. At the end, not only did we go through it once, we went through it 3 times, so the hon. members would understand what the committee was doing. So I do not think the hon. member for York South can say he did not have an opportunity when the bill was presented before the committee.

Mr. MacDonald: Mr. Speaker, I rise on a question of privilege for one moment. The hon. member for York East has misrepresented the situation, even in the light of what I explained earlier.

I was not there at the time the various portions of the bill were gone through. When I came in, I assumed that this report had been read as the hon. Prime Minister had instructed, advised or asked. It had not been read.

It strikes me as passing strange that a bill should have gone through in 6 minutes, whether or not the suggestion of the chairman we dispense with reading it after the hon. Prime Minister dispensed with it once here, that it be dispensed with once again.

That is, if the hon. member for York East is correct, I think he quoted the chairman saying: "Do you want it read?"

The net effect of the whole thing was that it was not read in the House, and it was not read in the committee, and it did not become public information until the hon. members of the fourth estate dug it out.

An hon. member: The hon. member gave it to them.

Mr. Speaker: May I say that on the principle of the bill, on second reading, every hon. member of the House has a right to speak, but the right to speak only once. When the House is in committee, you may have all the questions you see fit, but in second reading only once.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, before you put the motion, may I ask the hon. Minister whether or not the government will use the facilities of the Ontario municipal improvement loan to assure that this issue will be floated effectively whether or not it is purchased privately?

Hon. Mr. Warrender: I doubt if there are any items in here which might come under the jurisdiction of the Ontario municipal improvement corporation. That is mainly for schools, sewers, water and that type of thing. I cannot say this for sure, but I think that would have been done before had that been possible. But I am convinced that there are brokers around who are prepared to buy the debentures at a reasonable rate.

Motion agreed to; second reading of the bill.

THE PUBLIC SERVICE ACT

Hon. G. H. Dunbar moves second reading of Bill No. 129, "An Act to amend The Public Service Act."

Motion agreed to; second reading of the bill.

THE PUBLIC SERVICE ACT

Hon. Mr. Dunbar moves second reading of Bill No. 158, "An Act to amend The Public Service Act."

Mr. MacDonald: Mr. Speaker, I would like to speak briefly on this, and I think perhaps in the end I can save the House some time rather than take its time.

Some time ago I placed on the order paper a resolution calling for the government to consider granting its employment pool vesting rights in its superannuation plan after 5 years. I must say if every time I put a resolution on the order paper, I can get action as quickly as I did in this instance, I wish the rules would permit more than one resolution being put on per year, because within about two or three weeks' time, or even less than that, the hon. Minister came forward with a bill which for the most part puts into effect what my resolution was calling for.

Therefore, Mr. Speaker, in addressing my remarks to the principle of this bill, I would request that my resolution on the order paper be withdrawn because there is no point in debating it twice.

The Act now, Mr. Speaker, permits 3 ways in which a civil servant can get money which he has contributed to a superannuation fund. If he resigns he can withdraw his contribution at 3 per cent. He is also entitled under a certain clause of the Act to claim what is known as a disability allowance which, if for any reason he has to retire prior to the appropriate age, or has spent the appropriate number of years in the service.

Finally, there is what is called a compensation allowance, and this is something that I am very glad to have seen the government act on, because I think that this has been a very unfortunate clause in the Act, because it committed the possibility of people getting this allowance not as of right, but because of some particular influence within the government, as knowing the right person or something of that nature.

I put a question on the order paper a year or two ago, and I found out that since this clause has been put, only 14 people had been given this allowance. Now, many more people than 14 had retired under the Act, and theoretically were eligible.

The question that I raise is: Why did these 14 get it, and the others did not?

I think it is very clear that there is sort of an open door there for either political influence—or at least a justifiable suspicion that there is political influence—in the decision as to whether the people get it. In other words, if a civil servant gets something from this fund, he gets it as of right and he knows it, and it is clear in the Act.

Now what the government does in this is, in effect, to give him an equity of investing interest in the fund so that he knows clearly what his rights are.

Mr. Speaker, another reason why I think that it is extremely fortunate that we at this late stage have moved to do this, is that it removes a couple of very anomalous situations.

One, for example, is government for years under another party has made it necessary for municipalities in their superannuation fund to give their employees vesting rights in it. In other words, they have been in effect instructing municipalities that they must grant their employees vesting rights in their superannuation and, while they were not granting the same right to their own employees here. Now that clearly is not the kind of situation that is very defensible.

Also I do not happen to have the appropriate issue of the *Trillium* of the civil servants association, but they point out, in one issue that came out just before the convention last fall, that for years the superannuation payments of civil servants in Ontario have been deducted in the calculation of income tax, and the authorities have been winking at this deduction, although it is, in fact, a violation of the law, because the law requires that there must be a vesting right as of a certain number of years, which has not been the case until this bill has been brought in.

In other words this government is removing the rather unfortunate situation of civil servants, in effect, violating the law, and the authorities in Ottawa winking at it by deducting their contribution to the superannuation fund in violation of the income law requirements.

In making my final point, Mr. Speaker, may I say that I do wish I could sometime look forward to the day when this government will move in the direction of doing the whole thing, and not doing it by halves. So often we have heard the government say that we cannot move, or we will not move, with regard to salaries or other things in connection with our civil servants until they move at Ottawa. It is almost automatic "we'll meet you": they do it at Ottawa—we do it here.

Well, Mr. Speaker, I draw to your attention that Ottawa for years has not only given the federal civil servants a vesting right in their pension fund, but they have given it after 5 years, not after 10 years, and therefore what I cannot understand is why, when the government did move on this, they would not at least, some years after Ottawa, bring in a 5-year rather than the 10-year provision?

Hon. Mr. Dunbar: Yes, that is quite true, 5 years in Ottawa. We are not anxious to get rid of civil servants. If they are here to make a career of the service, why, we want them to stay on. We thought it would be better on the superannuation that the civil servant has been paying into over a great number of years, we do not want to put too great a strain on that by people changing their minds after they have been in the government for a few years, say 5 years, and get huffy or something, and go out and all the superannuations made ineffective by that. The rate will have to be raised as it was last year in order to make this superannuation sound. Therefore, we felt that 10 years would be a fair rate. But the hon. member compares us—

Mr. MacDonald: They want to reduce the mobility of labour, so to speak.

Hon. Mr. Dunbar: No, it is not that at all. He wants to compare us with Ottawa. Our superannuation is the best in Canada, it is figured on the last 3 years or the highest 3 years' salary. Ottawa is figured on the last 10 years.

Mr. MacDonald: What about the widows' pensions?

Hon. Mr. Dunbar: Now, that is all right; now do not jump out through China because they have nothing at all.

Mr. MacDonald: What about the widows' pensions that we do not grant as compared to Ottawa? We want to get a fair comparison.

Hon. Mr. Dunbar: Well, I am telling the hon. member that he was talking about Ottawa, about the 5 years, and I am telling him that they have nothing in Ottawa in the superannuation line to compare with us. Nothing at all. This is a good Act, and they are pleased with it. The hon. member has been reading the *Citizen* and reading the *Journal*, also a bill that we have here, sir, that superannuated civil servants have been, or can be, re-engaged for a certain length of time, expert service as the case might be, but they do not have that in Ottawa.

What does the head of the federation say in the *Citizen*? He says that they have been trying in Ottawa for 25 years, and now Ontario is leading the way. That is the kind of a government that we have here. Why does the hon. member not give a pat on the back once in a while?

Mr. MacDonald: In some things the hon. Provincial Secretary is ahead, and in some he is behind, so I guess I will.

Motion agreed to; second reading of the bill.

THE MOTOR VEHICLE FUEL TAX ACT, 1956

Hon. J. N. Allan moves second reading of Bill No. 185, "An Act to amend the Motor Vehicle Fuel Tax Act, 1956."

Motion agreed to; second reading of the bill.

Mr. Speaker: Notice of motion No. 4 standing the name of Mr. MacDonald. *Resolved*,

THAT this House is of the opinion that the government should consider granting its employees full vesting rights in their superannuation plan after 5 years.

The motion is withdrawn.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House, may I say that tomorrow at 2 o'clock we will proceed with the budget debate in anticipation of a vote some place around about 4.30 p.m. Following that, sir, we will go into matters on the order paper, I think this calls for debate, the public bills and orders and notices.

Mr. Oliver: Would my hon. friend indicate how many more intend to speak on the budget debate?

Hon. Mr. Frost: The hon. member for Port Arthur (Mr. Wardrope), yourself and the hon. Minister of Reform Institutions (Mr. Dymond). As I have it, there are just 3.

Sir, before moving the adjournment, may I make this motion:

I move that order No. 15 for third reading of Bill No. 135, "An Act to amend The Registry Act" be discharged and that the bill be referred again to the committee of the whole House for the purpose of considering a certain amendment.

Motion agreed to.

Hon. Mr. Frost: I move the adjournment of the House.

The House adjourned at 11.45 of the clock, p.m.





Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Wednesday, March 26, 1958

Afternoon Session

Speaker: Honourable The Rev. A. W. Downer

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, MARCH 26, 1958

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. D. J. Rankin, from the standing committee on municipal law, presents the committee's final report and moves its adoption.

Your committee begs to report the following bill with a certain amendment.

Bill No. 174, An Act to amend The Municipality of Metropolitan Toronto Act, 1953.

Motion agreed to.

Clerk of the House: Mr. R. M. Myers, from the standing committee on legal bills, presents the committee's final report and moves its adoption.

Your committee would recommend that the following bill be not reported.

Bill No. 140, An Act to amend The Racing Commission Act.

Mr. R. M. Myers (Waterloo South): Mr. Speaker, may I say by way of explanation that, during consideration of this bill by the committee, it appeared that a difference of opinion existed amongst interested persons with respect to certain of the sections, and the committee deemed it proper to provide for a further discussion of the terms of the bill. With that in view, the resolution was passed that the bill be not reported—not with a view of throwing the bill out, but merely as a first step towards its further consideration and study.

Motion agreed to.

Mr. Speaker: Motions.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

Annual report of The Department of Highways for the province of Ontario for the fiscal year ended March 31, 1957.

Hon. L. M. Frost (Prime Minister): I move, seconded by the hon. Minister of Labour (Mr. Daley), that the select committee of the House appointed on March 27, 1957, to examine into and report regarding the operation of the administration of The Labour Relations Act in all of its aspects, be reappointed with the same powers, duties and privileges as conferred by the former motion; the said committee to consist of 11 members as follows:

Mr. Maloney, chairman; Messrs. Jackson, Macaulay, MacDonald, Morningstar, Myers, Reaume, Rowntree, Wardrope, Wren, and Yaremko.

The hon. member for Port Arthur (Mr. Wardrope) is taking the place of the now hon. Minister of Mines (Mr. Spooner).

Motion agreed to.

Mr. Speaker: Before the orders of the day, I would like to welcome a very large group of students representing the following schools: Central school, Burlington; Alexander Muir school, Champlain Boulevard public school, Downsview collegiate, Beverly, Whitney and Deer Park public schools, Metropolitan Toronto. These students are here to view the proceedings of the House, and we extend to them a very warm welcome.

Hon. Mr. Frost: Mr. Speaker, I desire to table answers to questions 1, 11, 14, 21, 23, 25, 33 and 36.

Mr. D. C. MacDonald (York South): A perfect record this year.

Hon. Mr. Frost: That is right.

Mr. MacDonald: The hon. Prime Minister must have been up all night.

Hon. Mr. Frost: I worked all night on those answers.

Mr. MacDonald: Before the orders of the day are called, there are two questions that I would like to put. The first one is to the hon. Prime Minister: In a letter of recent date, signed by the civil service commission, and sent to all heads of government departments, it is stated that government employees may leave work at 3.30 next Monday in order to vote in the federal election.

The hon. Prime Minister, of course, is aware that The Canada Election Act stipulates that every employee shall have 3 consecutive hours for the purpose of casting his or her vote; and further, that the Act states that any employer who refuses in any way to grant 3 consecutive hours "is guilty of an illegal practice" and an "offence against this Act punishable on summary conviction."

Will the hon. Prime Minister give the assurance to the House that the government of Ontario, as an employer, will not violate The Canada Election Act next Monday, and will issue another directive through the civil service commission granting 3 full consecutive hours as a good example to other employers?

Hon. Mr. Frost: I have much hesitation in answering that question due to the castigation which I received at the hands of the hon. member for Essex North (Mr. Reaume) last night in my absence, in which he alleged that I answered all the questions over here.

However, with due humility, may I say, sir, that I have asked the Clerk of the House to close the buildings at 2.30 p.m. in order to give the civil servants 3.5 hours to go and vote.

Mr. MacDonald: I would hate to see this government up for summary conviction on Tuesday morning.

Mr. Speaker, my second question is addressed to the hon. Minister of Mines. Does The Mining Act supersede The Labour Relations Act—as assumed by the Canadian Johns-Manville Company who have used section 156, subsection 3, of The Mining Act in the recent demotion of a hoistman on the claim, by a company-designated doctor, that the man was colour-blind when an eye specialist in Timmins disagreed with that diagnosis? The hoistman is covered, I draw to the attention of the hon. Minister, by an agreement between the United Steel Workers of America and the Canadian Johns-Manville Company.

Hon. J. W. Spooner (Minister of Mines): Mr. Speaker, without having The Mining Act in front of me, and I did not get the second quotation, would the hon. member mind repeating it please, 153?

Mr. MacDonald: Section 156, subsection 3.

Hon. Mr. Spooner: It is rather difficult for me to give as complete an explanation as I would like to, but I must say that The Mining Act does, could, and should supersede an agreement between a labour organization and management.

The section that the hon. member quotes is one dealing with the safety regulations, conditions and requirements for a hoisting operator or hoistman. So, realizing the great responsibility that is placed on the employer to provide hoistmen of top physical qualifications and so on, because of the fact that practically all of the other workmen in the mine are dependent upon that man's ability to perform the duties of his office as a hoistman, it is most important that a very careful examination be required for applications for such a position as hoistman.

I have personal knowledge of the particular case which the hon. member for York South has mentioned, concerning the Canadian Johns-Manville Company at Matheson Monroe Mines.

A certain individual, who was examined by Dr. Wade in Matheson, was told that he was colour-blind. Then, very rightly so, the workman decided to present himself for an eye examination by an eye specialist in Timmins. That is quite right.

But to say that the eye specialist in Timmins maintained that the man was not colour-blind is incorrect, from the information which I have been able to obtain. The man is colour-blind to some degree.

Not being a technical man, I am not able to say what degree of colour-blindness a person should have or could have and still properly operate a hoist. A hoist is a piece of machinery which has an instrument board where lights of different colours are used to indicate certain signals. Therefore it would be very tragic to consider that a person whose eyesight was not perfect in every respect should be permitted to operate a hoist where so many other people are dependent for their very lives on the qualifications of the hoistman.

I am sure if hon. members, those who have knowledge of the mining industry, would consider that point, they would realize that the employer in this particular case was apparently quite within his rights to use The Mining Act as his authority for deciding that the applicant for the position of hoistman, because of the fact that he was colour-blind in some degree, could not be accepted for this position.

I have spoken to the company representative, and he says: "I would be very happy to engage this man providing he can meet the requirements of this position. But I have to consider the hundreds of other men who are dependent upon him, and the manner in which he operates this hoist for their safety. I think that the case has been very

well considered by the management at the mines, and that they had no alternative but to come up with the decision that they did."

I am happy to say that the man in question has a position with this same company, by whom he has been employed since, I think, 1951, at which time his examination prior to being employed did disclose the fact that he was colour blind at that time.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost: Mr. Speaker, I move that you do now leave the chair and the House resolve itself into the committee of supply.

Motion agreed to; House in committee of supply.

ON THE BUDGET

Mr. G. C. Wardrope (Port Arthur): Mr. Speaker, I am not going to speak at great length, because I think in this House during this session we have listened with a great deal of interest, sometimes with as not a great interest, to some long speeches that bear no relation to the events of the day that are so important.

On our budget, Mr. Speaker, I believe our hon. Provincial Treasurer and hon. Prime Minister (Mr. Frost), brought out a document that will go down in the history of this province as one of the greatest aids to the general public this province has ever seen. It was of great benefit to the municipalities. It is of great benefit to everyone in this province in the way of reducing taxes, and although the hon. members of the Opposition have accused us of cyclical deficit financing—I think this term was used, which I did not understand—it was a humanitarian document which will help everyone.

As I listened to the Opposition hon. members talk in billions and millions and so on, I could not help but think of that old story, which probably applies to me, about the two tramps playing poker at the side of the road with an old deck of cards. They were using rocks for money.

One tramp looked at his cards and said: "I will bet you a million." The other looked at his cards and said: "There is your million, and I will raise you a trillion." The first one looked at his cards, and said: "There is your trillion, and I will raise you a quadrillion." The other tramp threw his cards into the dust and said: "You win, you educated egghead."

So some of these men, who talk in billions and of cyclical deficit financing and so on, are

in that category, and probably know less about financing than I do myself, and my knowledge is not very great.

I also listened to a dissertation yesterday about this government being a one-man show. I think that we all agree, and I think honestly the Opposition agrees, that we have an hon. Prime Minister who is a courteous man, anxious at all times to help every hon. member of this House regardless of whether or not he is on the Opposition side.

I think the hon. members fully realize that when the hon. member for York South (Mr. MacDonald) is talking, he is a one-man show. He is the leader of the CCF party, and I really feel that he should not be a leader at all, he should be an ordinary common run of the mill member like myself. But our hon. Prime Minister gives him a great deal of leeway, and shows him a great deal of respect to which I do not think he is really entitled.

The hon. leader of the Opposition (Mr. Oliver) generally speaks on the Throne debate, the financial critic of a party generally speaks on the budget debate, and on other things other hon. members of the party speak. And if you notice, Mr. Speaker, the hon. member for York South speaks on the Throne speech, speaks on the budget debate, speaks on everything, and his two other hon. members are allowed to ask questions, that is about all. Now, if that is not a one-man show, I would like to know what is. If we look over *Hansard*, we will find that a great deal of the time is taken up with his balderdash in these different things.

He has also reached the point where he talks about roads in my riding, of which he knows nothing. He is now going to split the riding in two, and I may assure him that if it is split in two, and they have a new member up there it will not be him. I will see that it is not, and I am sure the people up there will as well.

Mr. R. Gisborn (Wentworth East): Like Rt. hon. Mr. Howe, eh?

Mr. Wardrope: Well, he was a good one in his day, but his day has passed.

There are two or three things, Mr. Speaker, that I would like to bring to the attention of the government and I do know they are important for my area.

I should like to make what I feel are a few constructive suggestions respecting northern affairs. In recent years, the present government has constructed about 400 miles of access roads at a cost of around \$5 million.

This great project is now being helped by the government in Ottawa for the first time in the history of this country, and the government in Ottawa which will give us greater help after March 31

These roads are planned on an inter-departmental basis involving The Department of Lands and Forests, The Department of Public Works, The Department of Highways, The Department of Planning and Development, and The Department of Mines. They are of the greatest value in expanding the growth of the mining industry. They also have the effect of opening substantial tracts of forest lands to harvesting.

Again, they serve as avenues of approach for combating forest fires. In some cases they give access to valuable agricultural lands.

I venture to suggest that, in dealing with this matter, and indeed with northern affairs generally, it would be very desirable to have a senior official with a rank approaching that of a Deputy Minister to be located at the Lakehead. He would be directly responsible to a committee formed of the Ministers heading the various departments.

Desirable qualifications might include a background of experience related to highways, a good record as an administrator and, of course, he should be a senior civil servant.

The managing committee might well set up standards of construction based, not only on immediate needs, but on prospects related to the future. The roads constructed should, I think, be kept open all year round, and they should also serve as fire breaks even to the point of providing additional clearing on either side.

With all due respect to the present access roads committee, I think it would be well to have it reconstituted as a northern Ontario mining and development roads branch. It would, of course, have a close connection with The Department of Highways.

In setting up an administrative office in the north, I would suggest that the head be given a reasonably large jurisdiction in which to operate. This, of course, is true if we are to have the efficient functioning of any civil service. As I see it, every official from the office boy up to the Deputy Minister should have an established jurisdiction in which he can function freely and safely. Give these people authority, large or small, and see that they exercise it properly, and we shall have better results in this or in any other civil service or indeed in any organization.

Another point I would like to bring out, Mr. Speaker, is the importance of iron ore

to the future of this province and to north-western Ontario especially. It is an enormous future asset that is just coming into its own. It is a subject which needs a lot of thought and care in its future handling. It is argued, and I think with much reason, that Canada is not making the best use of her great resources of iron ore. There are a lot of things in connection with it, as one can understand, which caused that situation.

The subject was discussed at some length by Mr. P. E. Cavanagh, director of the department of engineering and metallurgy of the Ontario research foundation. He was addressing a recent meeting of the Royal Canadian Institute in Toronto and his remarks are fully reported in the *Northern Miner* for February 27.

Mr. Cavanagh points out that new smelting processes using natural gas are being developed. These might make it possible, so he claims, for Canadian mining companies to use some of the better grade Canadian ores to make specialty steels.

Mr. Cavanagh says that the influx of natural gas plus the opening of the seaway will change our economic picture, and he adds that we are no longer tied to the costly process of making steel that has been in vogue for the past 50 years. He predicts that by 1980 Canada will be producing 80 million tons of iron ore annually, and he adds that the Canadian steel industry will probably be turning out 20 million tons annually by that date. He predicts that by 1980 Canada will probably be the largest exporter of iron ore in the world.

I suggest this, along the line of thought of Mr. Cavanagh. We should not allow foreign powers to take the cream of our iron ores while developing their own lower grade ores and then leaving us with the less valuable residue.

We have a warning in front of us. The Mesabi iron range not so long ago was estimated to be good for 500 years. It is now nearing exhaustion after only 50 years. The cream of the United States iron ore is gone.

Iron and steel are the very foundation stones of the United States economy, and it is very plain that, for the future, the enormous United States steel industry must depend for its ores on Canada and on South America. I suggest, therefore, that we should give thought in two or three directions to the problems which arise.

First, I think we should support our own industry with our own money, and at least in degree attempt to halt the acquirement of so

many of our basic resources and industries by American capital.

Second, I think we should look, for example, to the pulp and paper industry. The manufacturing clauses of The Crown Timber Act were, in effect, torn out of our statute books by the former government. The result was that there commenced a huge export programme of pulpwood cut from Crown lands. It was left to this government some years ago to halt this practice, and the result is we have new forest industries and new towns in northern Ontario: Red Rock, Terrace Bay and Marathon to mention 3 of them.

Shall we not, therefore, give some careful consideration to the thought of requiring very much more home manufacture, as related to our iron industry? I know there are many factors entering into this question but I should like to see us, for example, exporting a much greater quantity of fabricated steel in its many forms to the United States rather than to see a prolonged programme of exporting our raw material.

In the early days of the nickel mining industry, the Neonde Nickel Company shipped its ores in the form of matte to Wales for refining, while the International Nickel Company shipped the same product to New Jersey. Today this is changed and the ores are refined in part at the great nickel plants near Sudbury, and in part at the Port Colborne refinery.

Perhaps the whole problem here will ultimately have to be approached on a national basis. The "Labrador trough" contains the greatest iron ore reserves in the world, and there are other huge deposits in Ungava.

The developments at Steep Rock are spectacular indeed, and are a tremendous boon to our part of the country. Nonetheless, if we could see a large part of this valuable ore being fabricated in Ontario, it would mean a tremendous increase in our payrolls, and would indeed be a boon to our whole economy.

It is too soon to consider statutory enactment related to home manufacture of our native minerals. Nevertheless, maximum home manufacture should be our target, and it is something we shall ultimately have to contemplate. We cannot afford to have our Canadian economy placed at the mercy of United States industry.

Let us not forget that we have some formidable weapons in our possession. The United States is increasingly dependent on us for iron ores, for wood pulp, for nickel, for uranium, for asbestos, for zinc and for

copper. The time is coming when our great and powerful southern neighbour will have to deal with us on terms dictated from this side of the border.

Tonight I am leaving to go up to the town of Nakina to officiate at the opening of the hydro-electric power line for the first time in the history of that town.

It was a great construction job done by an organization which employs very many highly skilled men in their organization. I want to pay a great tribute to Hydro. That line is some 40 miles long and, hon. members can imagine what joy there will be among these 700 customers when it is officially opened tonight.

I wish briefly to commend the Hydro Electric Power Commission of Ontario for the far-sighted expansion of its establishments in northern Ontario. The important developments at Aguasabon, Pine Portage, Ear Falls, Manitou, White Dog, and Silver Falls are consistent with the general development of the north. The construction being launched of a steam-electric plant at Lakehead is another most commendable enterprise.

Hydro expansion does much more than parallel industrial advances. It brings hydro to our farms and to our summer resorts areas and is bound to have a stimulating effect on our growing tourist trade.

I listened with great interest to the hon. Minister of Highways (Mr. Allan). In dealing with his estimates a few days ago, he gave one of the most painstaking and clear explanations of departmental plans to which I have ever listened in this House.

The completion of our share of the trans-Canada highway No. 17 is on schedule, even though a formidable gap remains to be closed.

Let me say this, in case people do not realize what a tremendous construction job that is, I think the hon. Minister will bear me out. I think there is one mile of that road, that at Agawa Bay, that goes through a clear rock mountain, and I think the cost of that mile of road is in the neighbourhood of \$1.25 million. One can imagine the terrific problems there.

One bridge in my area over the White Lake narrows is, I think, 980 feet long, and it has to have a centre span about 31 feet high to allow the Abitibi tugs to pull 200,000 cords of pulp wood a year underneath.

Those are projects that cannot be done in a day, and they cannot be done without money, and when I hear the Opposition hon. members speak of deficit financing and that we should be saving, I say that they do not

know the score in the different parts of the province, and how it is going to be built up. It must take money, it must be built up for the future of this great growing area as a garden of Canada.

The completion of this magnificent route binds Ontario closer to all our sister provinces. The Canadian Pacific Railway was a part of the Confederation bargain. The trans-Canada highway is, may I suggest, of similar importance.

No longer will Sault Ste. Marie be at the end of the line. The twin cities, Fort Frances, and indeed many centres, will be drawn closer together with better understanding, with a greater flow of commerce, of a multitude of products.

The extension from Atikokan to Fort Frances, including the Rainy Lake causeway, and perhaps a new international bridge, is a long-awaited development.

I am sure also that the hon. member for Sault Ste. Marie (Mr. Lyons) rejoices with me in the assurance that our government is joining with the government of the state of Michigan in building an international bridge across the St. Mary's river. The history of the "Soo" goes back to our earliest colonial days, the days of LaSalle and Champlain, of the fur traders, of the Indian wars.

As my hon. Indian friend, Chief Trees of a Certain Height, will agree, those are things which are most important. It is left to the government of this day to provide this great international facility so long overdue. They call us a one-man government. If any one man could start and complete the amazing advanced projects that are going on in this province, I would say that he is one man whom this province should keep in office for a great many years, because they will never get another one like him.

The straits of Mackinac have recently been bridged by the state of Michigan. One of the greatest engineering structures in the world now spans the entrance to Lake Michigan. I suggest that this project, coupled with the projected international bridge at the Soo, coupled with the completion of the southern trans-Canada route, and again coupled with improved bridge facilities at Fort Frances—all these factors, I suggest, indicate a huge, new, entirely different traffic pattern.

This new pattern will affect northern Ontario, in degree Manitoba, and certainly Michigan and Wisconsin. I doubt if any of us can accurately foretell the ultimate effect of this vast programme of highways and bridge development.

The revision of our traffic laws will commend itself to all those who operate motor vehicles. We will be governed by the basic rule of "care, courtesy and common sense." We have here, I think, a marked advance in the cause of traffic safety. The man to get at is the driver, not necessarily the owner. The point system provides a method of separating the sheep from the goats, and the sooner we get the latter off the road, the better for all of us.

While on the subject of highways, I should like to commend the hon. Minister of Highways in his adoption of realistic measures to insure that contractors complete their jobs on time. That has been a sore point with me for many years. Some contractors who are probably not very well financed, probably not very efficient in their work, get a contract and it takes them two or three years to do a job that should take one.

Let us not forget it is not the contractor who gets the blame for that delay—it is this government—and we know that this government has done everything within its power to make it possible to finish that road in a year, and when a contractor takes 3 years, he is just not doing his part of the job.

The rating of contractors coupled with this measure should be a real help in preventing the disruption of traffic over long periods just because the contractor fails to do what he has undertaken to perform.

May I comment on one other thing, and then I am through. I speak of this great new parks system of ours, of Quetico and these other parks. There is one park in my area which I think deems special mention and special consideration, and that is the great gem, the tourist gem of Ontario, Nipigon. Hon. members have heard of Nipigon for years, and we still have not reached the point of making that into a great provincial park. Lake Nipigon is 90 miles long. It is teeming with Lake Nipigon trout, pickerel, pike and every other delicious fish that the north has, and it does not have a sea lamprey in it. I think the hon. Minister will agree. Am I right? It is free of sea lampreys. It is a great tourist paradise.

Let me read an editorial in the Fort William *Times-Journal* of January 19, 1957:

LAKE NIPIGON FUTURE MECCA

Douglas Oliver, the travel editor of the Toronto *Telegram*, was a speaker here 15 years ago. He had something interesting to say. He told his audience that the day would come when that inland sea known to the maps as Lake Nipigon would be

regarded as Ontario's greatest single travel empire.

Reminiscing the other day, Mr. Oliver recalled that he had predicted an adequate highway encircling its 3,000 square miles of water, and pleasure cruisers plying them daily and at week ends.

"Well," writes Mr. Oliver, "We got a laugh for our pains. And little wonder, because there was no time for dreamers in those pioneer promotion days. And, so, there are no steamers on Nipigon as yet.

"And if you compare your latest Ontario map with that of 1941 vintage you will find that, save for a short stretch of road connecting Nipigon townsite with Cameron Falls, the highway servicing situation thereabouts remains unaltered.

"However, we still think we are right. We still believe that Lake Nipigon is the prize tourist package it always was. Just crying for some competent authority with vision, know-how, and above all courage, to unwrap it for public inspection and approval.

"Hon. Bryan Cathcart, Minister of Travel and Publicity, could do many less important things than to give this idea the immediate consideration to which we believe it to be entitled.

"For, whether Ontarians like the thought or not, the impression is now fairly general that this predominant province's tourist trade may soon have to find new and specific appeal on which to base its future publicity campaigns.

"Lake Nipigon (the core of the provincial forest of similar name) could well prove to be the answer to this situation. However, from the purely vacational standpoint few people appear to know much about it.

"The transcontinental line of the Canadian National Railways taps its most northerly extremity at Willet Station. Highway 11 coursing north from Nipigon town, touches it briefly at Orient Bay, before angling easterly to Beardmore, Longlac and Hearst.

"Meanwhile, the maps still carry it, in all its great sweep of travel kingdom potential. I hope this government may suddenly sense its importance, travelwise, and do something about it.

"Therefore, we propose that representatives of Queen's Park departments of travel and publicity, lands and forests, highways, and planning and development jointly focus their exploratory lamps on the Nipigon.

"Cost money? Of course, such a Nipigon tourist development would cost money. And oodles of it! It couldn't be brought into full fruition at once. It would, admittedly, have to be an orderly process. Possibly a 5-year plan at the speediest.

"'Wonder what the Lakehead people of today would think of this dream.' Wonder if it would win the immediate second-reading, or 'in principle' support of the Legislature. At least most of these travel conscious representatives know what can be done when they put their minds to it.

"For, as we hear it, but for their stubborn insistence the present highway to Atikokan and the fabulous Steep Rock enterprise might never have been constructed. And what a tourist draw this road already is destined to become."

It can be observed that Mr. Oliver's picture of the future of the Nipigon must be fairly accurate. As a direct highway is opened from International Falls and Fort Frances, with improvements to be made to the entrance at Pigeon River, and especially with the completion of the trans-Canada from Fort William to Sault Ste. Marie, Lake Nipigon is due to become a major tourist attraction in Canada.

That is something I would like to get on the record and see something done about, I know that the hon. Minister of Lands and Forests (Mr. Mapledoram), and the other hon. Ministers, realize its importance as a tourist gem, and I am sure that they will do something about it.

In conclusion, I want to say what a great honour I consider it is, to be a member of this House. It is a good House, even the Opposition have men whom we all respect and like.

The other day the CCF hon. member for Oshawa (Mr. Thomas), for whom I have a very high regard, was talking, and he mentioned that 75 per cent. of the city council in Oshawa were, he considered, Conservative. Through all the years when there was this great Conservative swing, this one genuine little man from Oshawa was successful at the polls. I want to congratulate him on that great feat.

I want to thank the hon. Prime Minister for his very courteous treatment of myself, and for the great budget he brought down for this province. I do not have to tell hon. members it is a great budget. The people who control things in this province by their votes show that they trust him implicitly for his honesty, and for his ability to get

things done. He has, in my opinion, a great group of hon. Ministers who are handling their portfolios well, as some hon. Opposition members said the other day.

I want to congratulate the hon. leader of the Opposition, for whom I have a great regard. He is gentlemanly in all his actions politically, and a man whom I like to see over there with his great sonorous voice and tremendous speaking ability. He is a great asset to this House.

We will be closing tomorrow, but unfortunately I am leaving tonight, and to the hon. Prime Minister, all the hon. Ministers, and every hon. member of this House, regardless of his political affiliation, I want to wish good health and good luck during the recess. May I suggest to them that on Tuesday morning they can all send me telegrams of congratulations on the tremendous victory at the polls that has been shown by the people of Canada for the government that I support.

Mr. F. R. Oliver (Leader of the Opposition): Mr. Speaker, I had intended criticizing the hon. member for Port Arthur (Mr. Wardrope) on some of the remarks he made in the course of his speech. But the latter part of his remarks, of course, disarmed me, and I can say little against either him, or his arguments. But I did wonder, as he waxed so enthusiastically about this government and its accomplishments, if his enthusiasm was based on fact or on hope, or a combination of the two.

I am sure that what he has said about the administration he almost believes himself. I hopes he does not expect that we on this side of the House can go all the way with him in his enthusiasm.

As the hon. member for Port Arthur has said, this is the last of the full-dress debates in this particular Legislature, or at least in this particular session, and I think perhaps that my former statement was accurate, if one can judge from what one is told—that the government intends to go to the people before another session of the Legislature. However, the hon. Minister of Reform Institutions (Mr. Dymond) will be able to enlighten us on that particular point, when he speaks to us later this afternoon.

The budget debate, which is about to end, has drawn from the hon. members of the House some very excellent speeches, and I think that would be accepted by all parties in the Legislature. The new hon. members who have entered the House for the first time have, in the main, acquitted themselves well—I am not so sure of their facts. I am not

too enamoured with the type of argument that they use.

But the way they presented their case indicates that they are gaining at least a grasp of provincial affairs, and will be an asset to this House as time goes on.

I want to discuss a number of matters this afternoon for a little while but I do not wish to detain the House at any great length.

I want to try, if I can, to set out a number of things in which I feel the government has failed to act adequately or properly, and I want to set them out and catalogue them so that we will be able to see at a glance the things, in my judgment, which have not been carried out properly by the administration.

To do that, the first point I want to make, and I do not want to argue it at length because I have already done so in the House, takes us back to the federal-provincial conference and the tax agreement. I only need remind the House that the present hon. Prime Minister (Mr. Frost) has always been quite adamant in his declaration that the province of Ontario needs, and must have, an extra \$100 million.

In the last federal election campaign that was the battle cry; that we had to have another \$100 million; the old government had not seen fit to give us the \$100 million, and there was a bright morning star which seemed to serve some indication that the new government would give this \$100 million. The hon. Prime Minister, as was his right, of course, entered into the last federal campaign with an enthusiasm that he had not heretofore displayed in federal election campaigns, and it was so clear that he who runs could read that there was an agreement—whether it was written or just understood—an agreement, nevertheless, binding I would assume, that the election of the Diefenbaker government would automatically secure, for the people of Ontario, some \$100 million.

Now, without making a long story, we know what happened. We got \$22 million or 22 cents on the dollar and I say again to the House—

Hon. L. M. Frost (Prime Minister): A down payment.

Mr. Oliver: "A down payment," my hon. friend says. I am going to deal with that in a moment. I say again to the House, as I said previously, that this was a political payment in every sense of the word. I do not believe for one moment that we would have ever received even \$22 million had there not been the federal election which culminates in voting on March 31. I would

say this further to hon. members that after the election is over, and if by the mere chance—there is always that mere chance in an election campaign—Rt. hon. Mr. Diefenbaker is returned to power after March 31—

An hon. member: He will be, too.

Mr. Oliver: Well, of course, hon. members have their opinion. I have mine. I grant them the right to have their opinion. They must grant me the right to have mine. I would say this, that if the Diefenbaker government is returned, this government will not get any more payments on their \$100 million deal. I would say further that it was, in my judgment, the greatest sell-out of the people of Ontario that has happened in their time or mine. They were led to believe, by two honest men, that the election of the Diefenbaker government would give them their \$100 million. Now they needed and asked for this election campaign, and they made it, my hon. friends, as a down payment. They made the first and last payment, and that is all the hon. Prime Minister will get on his \$100 million.

Now that happened, Mr. Speaker, in the interval that we are considering in the fiscal year that ends on March 31, and I suggest to the House that it does, as I say, constitute a great sell-out for the people of Ontario, and one of the black marks, really black marks, against this administration in the year which ends on March 31.

When my friend, the hon. Minister of Reform Institutions speaks, I want him to inform the House just where we find this \$22 million in the budget.

I want to be sure that we did get the \$22 million. I mean, it is little enough as it is, but we want to be sure that we got even that amount, because we find, on page A1 of the budget, under tax rental agreement, this figure of \$74.379 million, and on page A12 of the budget account we find in the estimate for the year ending March 31, 1959, the figure of \$87 million.

The difference between \$74 million odd and \$87 million is between \$12 million and \$13 million, not \$22 million. But it may be that there is an explanation for that, and if there is, I hope the hon. Minister of Reform Institutions gives it to the House this afternoon.

It is bad enough to have received only \$22 million, but if, as the records would indicate, we received only between \$12 million and \$13 million, then the sell-out has even been more complete than I have outlined thus far.

The other thing that happened, and to which I want to draw attention for a moment, in the fiscal year that ends on March 31, has to do with hospital insurance.

I was very glad in a way to hear the hon. Prime Minister the other day admit quite frankly, as he sometimes does but not very often—he usually goes a long way around to make an admission—but in this instance he was peculiarly frank with the House when he said that the agreement for hospital insurance which he had signed with the new administration at Ottawa was substantially the same agreement that was offered to him by the former Liberal government. Now that means, Mr. Speaker—

Hon. Mr. Frost: I would not say negotiated with me, they offered me nothing and they gave me nothing.

Mr. Oliver: I want to say this, Mr. Speaker, that brings to mind another failure on the part of this government that has happened during this past year. In the House last year the hon. Prime Minister was so sure that no hospital insurance scheme would be entered into unless it included as shareable items the cost of tubercular and mental institutions.

Now it was hoped, I imagine, by the hon. Prime Minister, it was expected by these loyal hon. members across here, that if the government changed at Ottawa they would move to rectify what the government here saw as a mistake, and include as shareable items of cost the tubercular and mental institutions.

But that has not happened. We are still paying the cost of those institutions even as we were before the coming into power of the Diefenbaker government.

That, in my catalogue, is the second reason why we should have some misgivings about praising this administration too highly this afternoon. In fact, if I praise it all, it will be a mistake. I mean, I do not intend to. If by a slip of the tongue or by some other way I add a note of praise, I want you, Mr. Speaker, to forgive me and strike it from the records.

I want to come for a moment, to what I consider is another matter for which this government should be condemned vigorously, and that is on some aspects of the budget itself. The hon. Prime Minister, in his capacity as Provincial Treasurer, made a good job of reading a budget presentation to the House. I want to get outlined and talk about 3 or 4 matters which arise out of that budget presentation.

The first one, of course, is that the budget reveals that in this year the government receives a record-breaking revenue from provincial taxation, almost \$125 million more than they had ever received in history before from the taxes that are provincially levied in this province. In spite of that it was revealed that we are to add by March 31 another \$100 million to the debt.

I want to be a witness for this for a little while, because I think that it is very important. It seems to me that the hon. Prime Minister is very much in the position of a former Provincial Treasurer of this province, Mr. Monteith. I remember quite well the time when he was sitting in one of those seats over there, and when we criticized on some expenditure that he had made over and beyond the estimates that he had presented to the House, he made this famous statement: "We had the money and we spent it, and it was the natural thing to do." Now, that is what my hon. friend is doing. He had the money and he spent it.

Hon. Mr. Frost: I would say to my hon. friend that we live within our estimates. As a matter of fact, we lived under our estimate.

Mr. Oliver: The only difference between my hon. friend and Mr. Monteith was this, that he could say with surety that he had the money and he spent it. We are not in that fortunate position. Our hon. Prime Minister did not have the money, and yet he went on and spent it just the same and that, I would suggest, makes his sin all the greater.

So far as the \$100 million is concerned, that brings the debt, as at March 31, up between \$800 million and \$900 million. Very soon, within a year or so, we will hit the \$1 billion mark, and when we do we will be paying upwards of \$50 million a year interest on the provincial debt.

My hon. friend said the other day that we could have easily added less to the debt if we had cut out certain works, if we had cut out paying for certain things. To a degree he is right, but only to a degree. I mean, how far can one carry this thing? How far can he carry this argument of his with safety? How far can the hon. Prime Minister say we can go in piling up debt before the wheel starts to turn back? There is a point beyond which one cannot go, I suggest with safety, insofar as the finances of the province are concerned. I am one of those who believe that this government is just about to that point at the present time.

And yet this government goes merrily on its way each year, adding \$100 million to

the debt and next year it is supposed to be more than that.

I suggest in all seriousness, and with the interest of the province at heart, that it is time that we took stock of this situation. It is time that we paid attention to this ever-rising debt.

I remember hon. Mr. Porter, last year, rising in his place as Provincial Treasurer, and saying that it was his hope that the government could pay about 65 per cent. of the capital expenses out of ordinary revenue. That was hon. Mr. Porter's hope.

Now I imagine that on his part it was more than a hope. It seems to me that hon. Mr. Porter had just about got to the place where he said to himself and his colleagues at that time: "In fairness, we must get to the place where we pay at least 65 per cent. of capital accounts out of ordinary revenue."

Certainly I would say if I were in his position, that we cannot go on merrily along this road of plunging the province further and further into debt without taking a definite position as to what percentage of that capital account should be paid out of ordinary revenue.

Now my friend, hon. Mr. Porter, said that in his judgment the amount should be at least 65 per cent. This year it is going to be 44 per cent.—in there somewhere—and next year it is going to go down to about 33 per cent.

I say to the House this afternoon in all seriousness that I could forgive, in a measure, this administration and its record on debt if they showed any signs of mending their ways, if they gave to the people of this province any indication that they realize the seriousness of this situation into which they are plunging this province.

But instead of recognizing the danger signals that are flying high, they go exactly in the opposite direction and, instead of paying 66 per cent., they pay 44 per cent. this year and will go down to 33 per cent. next year.

I ask you, Mr. Speaker, where are we heading in respect to debt in this province? I am not one to be easily scared by increasing debt, but I am one who believes that we must pay attention to this ever-rising debt, particularly when it reaches the tremendous proportions that we know to be the proportions of the debt in this province of Ontario.

I want to touch on another matter briefly, having to do with the budget itself, and

that is this business of purposely under-estimating the revenue.

I looked at the figures this morning and they are quite revealing. They indicate this, Mr. Speaker, that in the last 8 years under this government, they have purposely—and by design to serve a political pattern—under-estimated the revenue every year for the last 8 years. And if we look at the records, we will find that, on an average over the last 8 years, we have underestimated our revenue by an average of \$50 million a year.

Well now, nobody worthy of the name of an accountant or a treasurer of this province need be \$50 million out for 8 years in a row. That was done with malice aforethought. It was done by design and for, as I say, political effects.

I think the time has come in this province for us to be realists in respect to our revenue. Let us estimate what we think that we will receive, not what we want to receive at the end of the year in excess of revenue over estimates.

For instance, take the liquor control board this year. The estimate for revenue for this year from the liquor control board is just the same as it was last year.

Now I ask the House, in all fairness, how this government will justify putting in the estimates a figure for the liquor control board that corresponds exactly with the revenue from the liquor control board last year? With more people in this province and with a record, as we look at the figures of an increasing revenue every year from the receipts of the liquor control board, my hon. friend puts in his estimates precisely the same figure for next year as he had in for this. That is true not only of the liquor control board, it is true of gas tax and all the rest. The time has come in this province—

Hon. Mr. Frost: Does the hon. leader of the Opposition think that we will get more liquor profits or less?

Mr. Oliver: I would think that we would get more, does the hon. Prime Minister not agree?

Hon. Mr. Frost: No, I do not.

Mr. Oliver: Well then, we will see. We will just mark that down somewhere. But certainly the record has been that this government has been getting more every year. Why the hon. Prime Minister would say that he would not get any more next year, I do not know.

Hon. Mr. Frost: How about the recession that the Opposition talk about at the present time?

Mr. Oliver: Well, the hon. Prime Minister must agree that there is one, if he is one who thinks that we will not get any—

An hon. member: That is a Tory effect. That is Rt. hon. Mr. Diefenbaker, and he is expecting a Diefenbaker government.

Hon. Mr. Frost: I am asking about the one he talks about, not the one I am talking about.

Mr. Oliver: I want to make this point and I leave it there. I think it is a mistake from a businesslike point of view at least to purposely underestimate our revenue. The reason it is done, of course, is obvious. It is as plain as the nose on one's face, as the saying is, when we end the year we have a surplus in ordinary accounts of some \$50 million and so we make big fellows out of ourselves, at least the government does, by giving more education grants, more hospital grants at the end of the year. That could have been done just as well in the budget estimate itself. It need not have been left until the end of the year save to serve the purpose that the government had in mind.

Then, just one more point in connection with this: I have said that over the last 8 years the revenues from the government departments exceeded the forecast by \$50 million. Those members will find if they look at the record that in most of those 8 years, the increase in the provincial debt, the net debt of the province, was less than \$50 million.

In other words, if the government had been so minded they could have kept the debt from increasing, rather than pay out the money in supplementary amounts at the end of the year. That was true in a number of these cases during the last 8 years, but I do say again that I think it is faulty book-keeping, it is done for a political purpose, and it should not any longer be continued in this House.

That is another reason, and I think a sound one, why I cannot be enthusiastic about the budget presented by the hon. Prime Minister here some weeks ago.

Another thing in the budget, or arising out of the budget, to which I have particular objection are these kites that the hon. Prime Minister flies in respect to certain matters. Now this one has to do with the works programme, and I got a clipping this morning, and I want to read it to the House. This

comes from the good old Toronto *Globe and Mail* and the headline says:

235,000 JOBS SET AS GOAL IN RECORD
ONTARIO BUDGET

Interjection by hon. Mr. Frost.

Mr. Oliver: That is about as feeble an effort as the hon. Prime Minister ever engaged in.

Hon. Mr. Frost: I am very modest.

Mr. Oliver: We have reached a sorry pass when I have to call for help in that matter. But the first paragraph in the article says:

A works programme which will provide 235,000 jobs, and on which public authorities will spend nearly \$1 billion was set in motion with the introduction of the Ontario budget in the Legislature yesterday.

I just want to say to the House that that is calculated misrepresentation if ever there was any. That went over the radio, and on the television sets of this province, and it was set up so the people would believe that this new budget was the vehicle by which and through which 235,000 new jobs were being created.

Of course, nothing could be further from the truth than that. What the hon. Prime Minister was doing was budgeting to carry on precisely the same amount of work that was carried on in the year before, and I do not know how many new jobs he created, but it would be a very, very small fraction of the 235,000 which he sought to give the impression that he was creating.

The same thing holds true in regard to this \$5 million for unemployment relief, and I just want to say a word on that because I made my position rather clear in connection with it. But that legislation is, in my judgment, what one might call regional legislation. It helps in the main, and almost exclusively, the metropolitan city of Toronto. The unemployment situation in other cities of the province is just as acute as it is in Metropolitan Toronto, yet this whole thing was set up to serve the purposes of Metropolitan Toronto.

Hon. Mr. Frost: I did not have that in mind.

Mr. Oliver: I know, the hon. Prime Minister perhaps did not have that in mind, but that is the way it is working out. This sort of thing gives false advertising in the very real sense of that word. The hon. Prime Minister can surely advertise himself in other

ways, rather than by misrepresentation. That is what he has done, definitely, in connection with those two matters.

The other thing about which I just want to say a word has to do with the educational grants. Now the government has increased grants for education this year by some \$33 million. I think that is the figure. If we want to be fair, we should remember two things about that. One is that about a third of that \$33 million would have had to be spent in any event to keep pace with the rising costs of education, so that only two-thirds or possibly less of the increase would go toward a reduction in the cost of education in the municipalities of the province.

When we apply the grants that the government made this year to the problem of education, we still find that it is only paying some 40 per cent. of the cost. The cost of education is rising, and as it rises the municipal taxpayers have to share more and more of the load. I do not think the government is entitled to any great credit for what it did in educational grants. I think it should have done much more, and the time is close at hand when it will have to do much more.

It is not my intention, Mr. Speaker, to speak at any greater length this afternoon, but simply to say that if the hon. Minister of Reform Institutions will follow at least along the line I have indicated, I hope he will set me right if I am wrong, and that he will present the government's position in a better light, because if there is a better light he should try hard to present the picture in that light. Thank you very much.

Hon. M. B. Dymond (Minister of Reform Institutions): Mr. Speaker, in attempting to contribute something to this budget debate, I am not unmindful of the honour that is mine today. The part played by so many of the hon. members of this House has been noteworthy, and almost without exception praiseworthy. I, with many hon. members have often been impressed by the quality of debate heard in this assembly. Frequently it is of high calibre indeed, and bespeaks the sincere and conscientious representation given the good people of our province by the hon. members in this Legislature.

I want to thank the hon. leader of the Opposition (Mr. Oliver) for even suggesting that I might be able to enlighten him. I do want to assure him, Mr. Speaker, that I have every intention of trying to do that, although I have to admit to a very great degree of pessimism because, despite the

fact that I have always considered myself something of an incurable optimist, I have very little optimism as far as hoping to enlighten my hon. friends on the opposite benches.

However, I am going to attempt to do that. I am going to try to enlighten the hon. leader of the Opposition very clearly, although I would not want to have his hopes unduly raised because I have absolutely no intention whatsoever of even attempting to enlighten him on that one specific subject which he mentioned first.

I find it very difficult to criticize the hon. leader of the Opposition. When the hon. member for York South (Mr. MacDonald) speaks in this House, I get a great delight out of crossing swords with him, but I find it very difficult to do that with the hon. leader of the Opposition, because his arguments are good, albeit a bit twisted, but they are good. I have a tremendous admiration for his ability, and I say this, in all sincerity, I have a tremendous admiration for his speaking ability. I am very, very envious of it, because if I could rise as I have seen him on occasion rise in this House, and speak for two hours almost without a note, I would consider myself a very fine debater indeed.

Therefore, I hope he understands when I say I find it very difficult to cross swords with him.

However, I am going to take issue with some of the things he said. First of all, he wanted to know what the government did with that \$22 million down payment and I would like to say here that I think that was one of the finest down payments I ever heard of.

I am going to tell the hon. leader of the Opposition what we did with the \$22 million; ask the school boards of this province of Ontario. Let him put his hand in his own pocket after he has paid his taxes this spring, and he will feel his share of that \$22 million, as every man and woman in this province of Ontario will do. That is where the \$22 million is, and I assure the hon. leader of the Opposition that is where the rest of it will go when the remainder of the \$100 million comes to this province.

Mr. J. J. Wintermeyer (Waterloo North): Mr. Speaker, will the hon. Minister permit a question?

Hon. Mr. Dymond: I will try to answer it.

Mr. Wintermeyer: Well now, does the hon. Minister contend that he has already received \$22 million?

Hon. Mr. Dymond: I just said we paid it to the school boards of this province.

Mr. Wintermeyer: I suggest to the hon. Minister that he does not have it, and will not have it until the end of 1959.

Hon. Mr. Dymond: This province can find it.

I am somewhat saddened by the attitude of the hon. members opposite. We on this side of the House find it all but impossible to satisfy them no matter how hard we try, and we do try. We try very hard to satisfy them, and I can understand the despondency the hon. Prime Minister (Mr. Frost) must feel on occasions, after trying so hard and so strenuously to present a budget, to present a programme for this province that will satisfy every hon. member of the Opposition and then he finds that we are criticized on every hand.

If we raise taxes we are wrong, if we lower them we are fooling the people, if we ask Ottawa for what is rightly ours it is phony, if we provide money for unemployment it is a phony plan, there is no foundation in fact. If we give the people increased grants we are fooling them, we are buying them with their own money. If we do not spend more, then we are not faithful to the trust that has been imposed on us.

Now, Mr. Speaker, I ask you, can you wonder, when we on the government side of the House say that we get a little bit saddened because it is so difficult, and all but impossible, to satisfy them?

I would like at the outset to make some general comments on the budget speeches of some of the hon. members on the Opposition benches. My hon. friend, the member for Waterloo North, the Opposition's financial critic, as he has done on two previous occasions, made an excellent speech. I have a very high regard for his ability and his fair-mindedness. As is his wonted custom, his speech was well thought out and prepared, and well delivered. I do congratulate him sincerely on his delivery—as I have already told him I cannot agree with his thinking—I may have more to say about this later on.

In the spirit of reciprocity, I would also congratulate my friend, the hon. member for York South. I have to say I believed his contribution to the budget debate this session was more moderate in tone than on previous occasions, but in the subject matter I am certain my hon. friend will understand I cannot agree with him. Concerning certain specific matters dealt with by him, I will probably deal at greater length.

As is customary, now the government side of the House has this opportunity to review, to sum up, and to rebut where need be.

To review, I might say, in very few words, that the budget presented to this House was a most remarkable document. So often we talk in somewhat off-hand manner of the greatness of our province, and I wonder if we think very deeply about it. I believe we need to be reminded more forcefully from time to time of the many factors contributing to this greatness.

How often do we remember that in area alone we stretch 1,000 miles from east to west, and 1,000 miles from north to south; that a great part of our province stretching across our southern border is a veritable Garden of Eden; that our fields and forests, our crops, our orchards and our vineyards, our flocks and herds, are the envy of many a nation greater in population and even in wealth than we are?

And yet, strange to tell, it appears to some as if all these are handicaps, as if they are cause for misgiving and foreboding and despair. We need, I repeat, Mr. Speaker, to be reminded often of the greatness of our province, and that, I say, is well done in the budget statement of the hon. Provincial Treasurer (Mr. Frost).

It is a document of hope, pointing to the aspirations of our people. It points with justifiable pride to our past, but adjures us to look to the future, for no people can remain great if they continue to bask too long in the glory of a past, no matter how glittering it may be.

It radiates confidence; confidence even in spite of the fact that some of our hon. friends are fearful at the sight of some difficulties, for example, some unemployment. To them I say, sir, in all reverence, quoting Holy Writ, "O ye of little faith, wherefore did ye doubt?"

But let me hasten to point out, Mr. Speaker, this confidence is not founded on a flimsy hope, or a shadowy dream. It is not the happy inconsequence of a Browning's Pippa, which says that because "God's in his heaven, all's right with the world." No, sir, it is a confidence built on realism, on a business-like recognition of our past, a sure knowledge of our present, and a realistic assessment of our future.

This government does not blind itself to the fact of unemployment. We have adopted no ostrich-like attitude to this problem. The important fact is, this government has done something about it.

Ah, yes, my hon. friends may scoff and joke or even sneer about raking leaves and gathering peanut shells, but they should remember these were only two of the many projects suggested by those charged with the responsibilities of municipal government.

They, at the grass roots, realized that great highways and bridges, mighty public buildings, and other such projects, could not be undertaken at a moment's notice, or just by the signing of an agreement.

An emergency dare not wait for conferences, discussions, and agreements. It calls for prompt, decisive action, and that, this government provided. This was a "crash" programme, and although some of my hon. friends made light of the amount provided—\$5 million—I make bold to suggest, sir, that if more were needed, this government would not hesitate to come to this House and ask that further monies be made available.

This, I believe, differentiates our idea of confidence from that of our hon. friends, who cannot see eye to eye with us. In the face of setback or difficulty, they run to the wailing wall, expending all of their energy in futile, non-productive groanings. We have, for instance, the hon. member for Brant (Mr. Nixon) wondering "if the hon. Provincial Treasurer is not a little uneasy about where we are going." We hear him speak about "an alarming situation with debts piling up."

And I have to ask, Mr. Speaker, and I ask this with all due respect to my hon. friend, for I have always had a tremendous regard for him; having in mind his background and his traditions, I do wonder, does he really believe what he says? He has seen our province come through great times; he has seen her through dark and difficult days; he knows, better than many others, something of Ontario's potential. With this sure knowledge, can he really believe Ontario is in a serious or precarious financial position?

Then we have my hon. friend for Waterloo North complaining that this government is more interested in spending money than in managing it. He complains, "We have over-spent ourselves by \$100 million in the past year."

Mr. Speaker, I ask my hon. friend, what would he have us do? Would he go to these same men working in the factories of his own Waterloo and Kitchener and say to them: "You have not enough money in the bank, you cannot buy a house, you cannot put a mortgage on a house, it is not good business, it is not good government. It is mismanagement?"

Would he prefer that we in the province give, say, \$43 million to education this year? Even that would be some \$35 million more than his party gave when last in power. Would he have us spend only \$24 million on our vast network of highways? Would he have us cut out all our expenditures on health and welfare, and municipal affairs? That would about balance our spending. Would he have us do these things?

Of course he would not. No, Mr. Speaker, my hon. friend knows full well that this is the only business-like way of dealing with the matter—and I quote his own words—“of recognizing the fundamental economic and fiscal problems that face this nation as it passes rapidly and dynamically from an agricultural to an industrial economy.”

But to this government, difficulty presents but another challenge; it calls for cool thinking and decisive action; it serves only to strengthen purpose and determination; to make more steady the hand on the helm—to the end that our people may be brought through their trials with as little suffering and inconvenience as possible.

Of course we have some unemployment; of course we will have difficulties and disasters from time to time. That is the history and the lot of all mankind. We cannot hope to live constantly in the sunshine of the mountain tops. We must come down occasionally into the mists and shadows of the valleys.

But so long as we retain our faith in the visions that were ours on the mountain tops, then we shall always be able to go forward with courage, with vigour, and determination.

When the hon. Prime Minister presented his budget, he closed his speech with a quotation from the Pentateuch of Moses. This remarkable passage I have quoted many times, because it applies so admirably to this land of ours, and one may say, too, to this province.

For the Lord bringeth thee into a good land, a land of brooks of water, of fountains and depths that spring out of the valleys and hills; a land of wheat and barley and vines; of oil and honey; a land whose stones are iron and out of whose mountains thou mayest dig brass.

How well this describes our great province, and this perhaps is better understood by those of us who are citizens of this glorious land by choice, rather than by chance.

The passage quoted referred to a “Land of Promise for those who fled the slavery

of the Pharaohs.” This province of Ontario might well have been that land, for it fits the description, yes, Mr. Speaker, it outstrips it many, many times.

A reading of the budget statement emphasizes this so often and in so many ways, presenting the facts backed by undeniable evidence. Not one facet of the life and interests of our people is overlooked. It tells of great advances over the past year. When we look at the total figure of the budget—almost \$600 million—and think that only 25 years ago, the entire budget of the federal government was less than this amount, we catch a glimpse of the strides we have made.

To what should we point as the outstanding feature? To no one thing, I submit, for the entire document is but a composite of many outstanding features. In spite of economic adjustment, or recession, or, as one hon. member put it, “period of digestion,” we note in the record, advances in nearly every phase of endeavour; capital investment, personal income, power consumption—all showing substantial increases—the pulp industry holding firm, despite the gloomy foreboding of my hon. friend from Waterloo North.

Even agriculture, still one of our greatest basic industries, held near to the level of the year before. I would not leave the impression that I believe the state of our agricultural economy is glowingly healthy, but I say with equal vigour, it is not so desperate as to call for its funeral.

Almost every economic indicator pointed upward during the past year, and if one is to be guided by those whose business it is to know and predict those things, I believe we can look with confidence to this state of affairs being repeated in this present fiscal year.

Over against all this, I know some of my hon. friends opposite will point with some glee to the increased and increasing debt.

Mr. Speaker, I have never considered myself a financier or a financial wizard, but a little common sense tells me very emphatically that our debt position must be related to our income, for this is the criterion of our ability to pay. If I want to borrow from my bank, one of the first requirements would be that the banker should know my income.

So, surely, it must be with the province, and one glance shows that our total net debt is equal to less than 1.5 year's revenue; in other words, the mortgage on the house is equal to less than 1.5 year's total salary. I know a great many people who would rightly feel they were in an excellent financial condition if they could make such a claim.

Now my hon. friend from Brant presented to this House yesterday some facts which he thought were a little startling. He compared the figures of 1943 with those of today. Let us look at these again and in more detail.

In 1942-1943, the net debt of this province was 462 per cent. of the net ordinary revenue of that year, or, again to take our homely simile, the mortgage on the house was equal to more than 4.5 years' total salary. Further the net cost of servicing that debt, that is for interest only, was 21.2 cents out of every dollar of provincial revenue.

Over against this we have today's picture—the net debt, 147 per cent. of net ordinary revenue and the cost of servicing that debt, that is, again for interest only, is but 5 cents out of each dollar of provincial revenue.

Mr. Wintermeyer: Mr. Speaker, I do not want to interrupt my hon. friend too often, because he is very spirited in his address. But am I to understand that there is never a time during which one repays his obligations? He is suggesting, I understand, that the more revenue one has the larger his debt. Now when does one make an effort to repay the obligation of the debt?

Hon. L. M. Frost (Prime Minister): In expansion.

Mr. Wintermeyer: What period has this government had in the last 12 years—

Hon. Mr. Frost: Well, we are expanding so rapidly.

Hon. Mr. Dymond: I do not pretend to be a financier; I am only a country doctor. My hon. friend from Waterloo North is the financial brain.

However, I would say that common sense would tell me that the greater the demand for expansion the greater the need for spending money, and naturally our debt will increase. But so long as we keep it in relative proportion as it is today, I do not think that this province needs to worry. I do not think we need to hang out the crepe, or run from the bailiff, he is not coming after us.

This is evidence of dynamic leadership. It is impossible to have growth, rapid as this province has experienced it, without adding to our debt.

In my own department, I believe we have orders for over two million sets of motor vehicle markers. Can we accommodate those vehicles on roads of the quality of the back concessions? Will our people be content if we give them highways of the class and quality of our sister province of, say, Saskatche-

wan? I say not, sir—our people ask for, and have a right to expect, the best we can provide, having in mind sound business and keeping the provincial credit in healthy state.

And the same may be said of our north and northwest, those great stretches of our province, where yet, I believe, lie hidden mighty natural resources of untold value, "a land whose rocks are iron and out of whose mountains you may dig brass." Who can possibly fail to thrill to the romance of the saga of mining and mineral production in this province?

Last year our mines produced nearly \$800 million worth, and they look toward the future with sights set even higher. Can we hope to tap these mighty resources if this government fails to appreciate what all this means to our people? Can we hope to take this bounty which has been granted us and not expect to have to spend something in return?

Access roads, bridges, new townsites and development areas, all these are needed. All these are, in some measure, the responsibility of the government. And this budget statement proves beyond shadow of doubt that this government is aware of, and keenly alive to, its responsibility.

In this regard, though, Mr. Speaker, we find the hon. member for York South disagreeing with us. He contends that here in this field are great potentialities for gaining more new revenue. Of the mining industry and of corporations, he says, in effect: these are fine birds ready to be plucked. He recites in detail the gross revenue of 4 large corporations. He draws some interesting comparisons between their gross income and the income of all the provinces of Canada.

But he leaves the matter there. He fails to mention their investment in property and equipment. He says nothing of how much they paid out for materials and wages and taxes. He does not even tell us how much they had left over or net profit.

I say to him that I, as a Canadian, am proud to know we have 4 such large industries in this country. It proves to me that others have faith in our land and in her future, and that so many still remain in our midst who have an unbounded faith in the system of free enterprise.

I want to say to my hon. friend that I hold no brief for the big corporations, the big man, whoever he may be. I have always believed they can look after themselves; and I say, too, that I believe in corporation taxes.

But common sense teaches me, too, that taxation of any corporation or commodity can

reach the point of diminishing returns, and that sort of policy would do irreparable damage to this province. I only ask my hon. friend to look at the fate of that much-quoted sister province, Saskatchewan, with her stagnant population, industry and commerce. Would he want to see that sort of thing happen here in Ontario?

I do not know if mining and corporation taxes have yet reached their highest level compatible with good business practice. But I do say this, without equivocation, that this government can be trusted to impose whatever taxes are fair and just and equitable, without fear or favour.

Looking for a moment at these matters gathered together under the heading of human betterment, we see, Mr. Speaker, a record of real concern for, and performance in behalf of, the ordinary folk, the rank and file of our province.

My hon. friend from York South said in the closing paragraphs of his speech that "this government is getting insensitive to the needs of the little people." Somewhere he likened us to Scrooge—I forget the exact reference. Let me take him back in memory to the story of Scrooge. Let him recall that occasion when Scrooge met with the ghost of his former partner, Marley, and when reference was made to business, the ghost said something like this: "Business, Scrooge, mankind was my business, the common welfare was my business, justice, mercy, forbearance, charity—these were my business." And I say to my hon. friend, these too are our business—the business of this government.

Let my hon. friend look at the record, and if he still believes this government to be insensitive to the needs of the little people, then I for one will need a new dictionary, for mine will not thus define insensitivity.

What government in this province has shown its concern for all of our people in as tangible a manner as has this one? The cost of welfare, which used to be such a staggering load upon the home-owner, has been so absorbed by this government, that today the municipal share for the whole province averages 9.3 per cent. Sometimes figures are cold and dry. Sometimes they are fascinating, vibrant with human interest, and I believe this is a case in point. Let us look at this for a moment.

The total payroll for welfare in this province for the past year was \$37.5 million. Out of that, the province paid 62 per cent., the federal government 28.4 per cent., and

the municipalities averaged, as I have already noted, 9.3 per cent.

May I be permitted, for a moment, to relate this to my own riding of Ontario, a fairly typical county of this province, half urban, half rural? Our total welfare payroll was \$626,842. This government paid 64.6 per cent. of this total, Ottawa paid 29.5 per cent., and the municipalities paid 5.9 per cent. And a glance at the report tabled yesterday by the hon. Minister of Public Welfare (Mr. Cecile) will show every hon. member that in some cases the municipal share was even less than this.

The financial assistance to municipalities, school boards and other municipal spending bodies this year, will be in excess of half the total municipal tax levy of the entire province. What does this mean to the little people? It means tax reductions of fairly substantial amounts in some municipalities as already announced, albeit this will not be fully appreciated until all have struck their tax rate.

The additional grants to local education of \$33 million is no mean sum, and grants of \$61 million for municipal roads are bound to be reflected in the tax structure of our municipalities.

I have no doubt some of my hon. friends opposite will say: "But why should not this government help in these problems which so sorely harass our municipalities?" In this I can agree with them, Mr. Speaker, and I am sure the entire government agrees with them. I mention them here only to refute the charge that we have done nothing for the municipalities—to show that the interest and welfare of the ordinary folk of our province is very much our concern.

In a little more than 9 months hence, this province will embark on a great experiment, which we all hope will redound still further to the welfare of our people. Hospital care insurance, which through the efforts of this government—nay, sir, I may correctly say through the efforts, determination, and tenacity of the hon. Prime Minister of this province, will be available to all the people of Ontario who care to avail themselves of it—coming into force on January 1, 1959.

This is forward-looking legislation — this is a programme of human betterment of the highest order. This, alone, had he done no other good thing, would assure for the leader of this government an eternal place in the history of our province, and in the hearts of its people.

Here again faults have been found, flaws have been sought out, but as is so carefully

and meticulously striven for in all our legislation, enough scope and flexibility have been provided that the plan can be altered, amended or expanded as time and experience may dictate.

The interests of higher education have been well attended to. A few days ago, someone suggested to me that this was due to the effect of the sputnik age, and sputnik thinking, having startled the leaders of democratic nations, ours included.

Mr. Speaker, I do not subscribe to this view. I have due regard for the men and women of science—I join with many, many people in praise of the efforts of these scientists of the Soviet who first succeeded in launching a satellite and placing it in orbit.

But I am also mindful of the declaration, "Man cannot live by bread alone." And I would urge that we remember to cherish our love and respect for the humanities and to keep the whole field of higher education in proper perspective. I like to believe that this government had this whole broad field of education in mind, and I am confident it will ever be so.

So I might well go on, Mr. Speaker, through every department of government, and touching upon every facet of the life of our people, pointing to what has been done and what is being and will yet be undertaken in their behalf. But this would be redundancy—the record is there for all to read.

However, I would be careless indeed if I failed to point out that this government does not take all the credit for the accomplishment of this province. Some of our hon. friends opposite, particularly my hon. friend for Bruce (Mr. Whicher), frequently remind us that the credit belongs to our people. And there, sir, this government rightly places it.

What hon. member who sat in this House on February 6 this year, can ever forget the picture of one of our elder statesmen, the hon. member for Peel (Mr. Kennedy), as he moved the address in reply to the speech from the Throne? Who can forget these words he uttered, and I quote: "The fibre of a family makes a nation." I like to think of all the people of this great province as a family, reserving to ourselves the inalienable right to disagree with, or to hold opinions differing from, our brothers and sisters, but basically standing together as a family unit, where the greater welfare is concerned.

We are deeply conscious of the tremendous effort and potential of our people. Indeed, I believe it can truthfully be said that at no time and nowhere in history can it be found where any 5 million people, have done more,

produced more, earned more, subdued more, or built more, than have our people of Ontario.

We may have untold wealth; we may have productive capacity beyond our wildest imaginings; we may be possessed of limitless natural resources, but all of these things are as nothing, if the fibre of the family, our people, is unsound and unhealthy.

So I remind my hon. friends, we do not lose sight of the place of our people, but we do realize that they have placed upon us the responsibility of leadership. This we are giving and will continue to give them. This fact, I believe, is proven by this accounting we have given of our stewardship.

Mr. Speaker, the government case has been before this House for some time, the evidence has been well presented, the arguments have been made and heard. Only the decision remains.

To me, there can be only one sound, one logical decision. I, therefore, urge my hon. friends opposite to see this which is so patently clear. I ask them to recall words first uttered by one of their own great leaders, Sir Wilfrid Laurier. He said: "The twentieth century belongs to Canada." How prophetically he spoke, we who now live on appreciate.

But if this were true of the first half of the century, how much more true it will be of this second half. Therefore, Mr. Speaker, I urge my hon. friends opposite to join with us in support of this motion, to the end that they might soar with us as on the wings of the eagle, rather than be left behind, like the barnyard rooster, flapping furiously but ineffectively, unable to get off the ground.

They appealed for imaginative and dynamic leadership. I hope that I have been able to answer or set my hon. friend, the leader of the Opposition, straight on some of those points on which he got led astray. This government is giving them that very thing. We intend to continue to do so.

Mr. Speaker, we look back on our past with pride. We are justifiably proud of our heritage, of our history, of our accomplishments. We look upon our present with a feeling that now at long last we are reaching our maturity, that we are becoming the great and mighty nation, by prophets long foretold.

We look forward to the future with the sense of destiny strong upon us; a little hesitant at times it may be, for the potentialities of this land stagger even the imagination—but ready to press forward, rising with courage upon the wings of faith and hope, to "higher visions, wider vistas, nobler dreams."

Mr. Wintermeyer: Mr. Speaker, so that we may be more enlightened in the vote that will immediately follow, may I direct one or two questions to the hon. Minister, who has so energetically and eloquently read this address this afternoon?

I am much intrigued by the hon. Minister's reference to the \$22 million that he made at the outset. Now can he enlighten this House, whether or not that money is already in hand?

Hon. Mr. Dymond: Mr. Speaker, I have already told them that the record is there for all to read. Surely, on black and white is sufficient.

Mr. Wintermeyer: Yes or no, Mr. Speaker. I simply ask a yes or no answer.

Mr. Speaker: I think the hon. Minister has already given the answer. He said the record is there.

Now, regarding the amendment:

Mr. J. J. Wintermeyer (Waterloo North) moves, seconded by **Mr. F. R. Oliver** (Leader of the Opposition), that the motion that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply be amended by adding thereto the following words:

But this House regrets that the budget does not in any way recognize or solve the fundamental fiscal problems of the province of Ontario in its rapid evolution from an agricultural to an industrial economy, and in particular, lacks imaginative leadership in the solution of—

1. Municipal-provincial fiscal relations;
2. A long-range programme for highway construction and financing;
3. A failure to devise a plan for managing the ever-rising debt.

Now the vote is on the amendment to the motion, moved by Mr. Wintermeyer and seconded by Mr. Oliver.

Will all hon. members who are in favour of the amendment please say "aye."

As many as are opposed, please say "nay."

The amendment to the motion was negatived on the following division:

YEAS

Gisborn
Gordon
Innes
MacDonald
Manley

NAYS

Allan (Haldimand-
Norfolk)
Allen (Middlesex-
South)
Auld

YEAS—Continued

Nixon
Oliver
Thomas
Whicher
Wintermeyer
Worton
Wren

—12.

NAYS—Continued

Beckett
Belisle
Boyer
Cass
Cathcart
Cecile
Chaput
Child
Collings
Connell
Cowling
Daley
Dunbar
Dunlop
Dymond
Edwards
Elliott
Fishleigh
Foote
Frost (Bracondale)
Frost (Victoria)
Goodfellow
Graham
Griesinger
Grossman
Guindon
Hall
Hanna
Herbert
Jackson
Janes
Johnston (Parry
Sound)
Johnston (Simcoe
Centre)
Johnston (Carleton)
Jolley
Kerr
Lavergne
Letherby
Lewis
Macauley
Mackenzie
Maloney
Mapledoram
Monaghan
Morningstar
Morrow
Murdoch
Myers
McCue
McNeil
Noden
Parry
Phillips
Price
Rankin
Robarts
Roberts
Robson

NAYS—Continued

Root
Rowntree
Sandercock
Scott
Spooner
Stewart (Middlesex-
North)
Stewart (Parkdale)
Sutton
Wardrope
Warrender
Whitney
Yaremko
—73.

Mr. Speaker: I declare the amendment lost.
The vote will now be on the main motion.
The motion was agreed to on division as follows:

YEAS

Allan (Haldimand-
Norfolk)
Allen (Middlesex-
South)
Auld
Beckett
Belisle
Boyer
Cass
Cathcart
Cecile
Chaput
Child
Collings
Connell
Cowling
Daley
Dunbar
Dunlop
Dymond
Edwards
Elliott
Fishleigh
Foote
Frost (Bracondale)
Frost (Victoria)
Goodfellow
Graham
Griesinger
Grossman
Guindon
Hall
Hanna
Herbert
Jackson
Janes
Johnston (Parry
Sound)
Johnston (Simcoe
Centre)

NAYS

Gisborn
Gordon
Innes
MacDonald
Manley
Nixon
Oliver
Thomas
Whicher
Wintermeyer
Worton
Wren
—12.

YEAS—Continued

Johnston (Carleton)
Jolley
Kerr
Lavergne
Letherby
Lewis
Macaulay
Mackenzie
Maloney
Mapledoram
Monaghan
Morningstar
Morrow
Murdoch
Myers
McCue
McNeil
Noden
Parry
Phillips
Price
Rankin
Robarts
Roberts
Robson
Root
Rowntree
Sandercock
Scott
Spooner
Stewart (Middlesex
North)
Stewart (Parkdale)
Sutton
Wardrope
Warrender
Whitney
Yaremko
—73.

Mr. Speaker: I declare the motion carried.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, may I make one or two announcements to the House?

One of them is this, sir—relating to the chairs which were formerly in the assembly. Those chairs are really of no value here in the building, beyond the ones that are retained here in the chamber. I think that your Honour has proposed that one chair be sent to each county, if they so desire it, or that one chair might go to a suitable place in the districts, which take the place of the counties.

All of the 98 chairs are not in shape to send out, but in any event, there are enough to do that, and I just wanted to explain that to the assembly. The chairs here probably date back to the time that the assembly was on Front street.

I would point out to your Honour, or to the hon. members of the House, in connection with the furniture in the assembly, there are a few of the desks here that date back to very early days of this assembly, as does the table and does the calender and there are some of the benches under the Speaker's gallery, which I think go back to very early times. How early, I am unable to say, but certainly well back into the days when the Parliament buildings were on Front street and probably dating back into pre-Confederation days.

The older desks in this assembly are the narrow ones—now they may have been removed in the meantime and some of them kept elsewhere, but in any event, these desks or some of them would go back to very early times, as far as the province is concerned.

Mr. Speaker: I say, in this connection, that you know there are 98 constituencies, and if all the hon. members wanted a chair for their constituency, the whole 98 would be gone, and the chairs are not all in good condition.

We have suggested that one go to each county and district, as the hon. Prime Minister has said.

Now if each hon. member will give me the name of the place to which this chair is to be forwarded to in his county or district, I will see that a chair is dispatched just as soon as we can possibly dispatch it at the close of the session.

Hon. Mr. Frost: Mr. Speaker, also at this time, I might say to the hon. members that I propose to move, later in the day, that the House reassemble at 10.30 tomorrow morning, which I think would permit prorogation by some time between 12 and 1 o'clock, which I think would suit the convenience of the hon. members a good deal better than letting the session convene at the normal time of 2 o'clock.

Hon. G. H. Dunbar (Provincial Secretary): Would it be out of line if I asked a question regarding the chairs? There are so few counties compared with the chairs, and take the city of Toronto, for instance, or the city of Hamilton. There are so many hon. members from there. They would not each require chairs, but would there be sufficient chairs to give each city hall a chair—the same as you would give to the county?

Mr. Speaker: I would like to say to the hon. Provincial Secretary that this is only a preliminary move. We will give one to each county and then after that, we will take all these

other factors into consideration, and if it is possible to give one or more, perhaps, to the larger cities, we will be very glad to do it.

Mr. J. Root (Wellington - Dufferin): Mr. Speaker, in Wellington county we have two ridings, and at one time there were 3. Would you suggest the museum or the county council or what? I am sorry I was not here when you started this discussion.

Mr. Speaker: Well, we have had quite a number of requests already from local museums, and we are trying to limit the chairs to one to a county as a preliminary move. If the hon. member has a museum in his area, or a library or some public building that wants a chair, we would be very glad to have the name of it, and we will certainly look after it.

Hon. Mr. Dunbar: Mr. Speaker, before you start would you let the House know which hospital the hon. member for Essex North (Mr. Reaume) is in? He has not been well after getting that speech off his chest last night. We would be glad to send some flowers to him, so if you would just let us know. He generally takes two weeks' rest after he makes a speech.

Hon. Mr. Frost: Mr. Speaker, I do not propose at this time to have you put through the final item of the estimates, that being reserved for tomorrow. I would point out to the House, that the motion having carried, the formality is proceeded with the Speaker leaving the chair. Tomorrow we will complete the estimates.

Hon. Mr. Frost moves the committee of supply do rise and report progress, and begs leave to sit again.

Motion agreed to.

Mr. Chairman: The committee of supply begs to report progress and begs leave to sit again.

Report agreed to.

Clerk of the House: Notice of motion No. 2, standing in the name of Mr. T. D. Thomas. *Resolution—*

That, in view of the statement of the hon. Prime Minister expressing personal approval of compulsory automobile insurance, this House is of the opinion that the government should consider the proposal of any such compulsory coverage being provided at cost, through a government-sponsored automobile insurance plan.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, in presenting this resolution for debate, I want the hon. members to realize that I am only asking the government to consider coverage at cost of compulsory automobile insurance through a government sponsored insurance plan.

If the majority of the people in the province of Ontario, and I think they do, approve of compulsory automobile insurance, and I think the hon. Prime Minister has gone on record as stating his approval, too, then I think they have the right to ask for, and we have the duty to provide, that service at cost.

If we compel drivers of vehicles to carry insurance, then obviously, we are diverting business to the insurance company. If we do this, I feel sure the first thing the insurance companies will do is to increase the premium.

Faced with this possibility, I think the case for a government sponsored automobile insurance plan becomes quite conclusive.

I may add that the present method of providing protection against automobile accidents is highly uneconomic and unsatisfactory. The reports in the *Financial Post* on private automobile coverage during the past few years are very revealing. Only 52 cents to 57 cents out of each premium dollar was paid out in claims. The remaining 43 cents to 48 cents is used up in administration and collection charges.

In contrast, I want to bring to the attention of hon. members that, out of every \$1 collected in premiums by the province of Saskatchewan, 84 cents is paid out in claims. Only 16 cents is required, or retained, to cover administration and promotion costs.

Now, in Saskatchewan, they have adopted the principle that any resident injured in a highway accident requires compensation, irrespective of whether he is a driver, passenger or pedestrian, and regardless of whose fault the accident was. They have made the payment of this compensation a collective liability on all drivers and vehicle owners by imposing a compulsory premium which must be paid when the car and driver's licences are bought.

The compensation is paid out according to a scale of benefits, and no court judgment is necessary to determine damages or liabilities, since the fund is responsible for all payments.

Mr. Speaker, I may say the Saskatchewan plan was begun in 1946. For \$1 extra on his driver's licence, and \$5 on the car licence, the Saskatchewan motorist receives public liability protection and personal injury protection for himself and for his passengers, even if he were responsible for the accident. With

these fantastically low rates, I may say, Mr. Speaker, the scheme still ended, the first year, in 1946, with a surplus of over \$700,000.

Today, the Saskatchewan motorist receives what is known as 6-point coverage. This plan achieves a number of things which private insurance, either voluntary or public does not.

It provides minimum coverage to all motorists injured in motor vehicle accidents, and not only just for those who fit in under a standard insurance policy. The plan covers hit-and-run victims, lengthy and costly litigation has been eliminated, and needless expenses are avoided.

The hon. Prime Minister, when speaking in the debate on the proposed hospital plan for Ontario, stated that the hospital plan which had operated in Saskatchewan since 1947 is the finest of its kind in Canada.

I know the hon. Prime Minister is not dogmatic. I would now ask him to examine the compulsory automobile insurance plan now in effect in Saskatchewan. He stated, at one time in this assembly, that he had been subjected to tremendous pressure from the insurance companies in trying to stop the introduction of the hospital plan.

I may say, Mr. Speaker, he had the intestinal fortitude at that time to rise and say: "This plan goes into effect. This is it."

I hope on this occasion, when we are asking the government to consider a compulsory automobile insurance plan sponsored by the government, that he will have the courage to rise to the same insurance people and say "This plan is for the benefit of the people of Ontario," the same as he did about the hospital plan.

As I said previously, Mr. Speaker, this resolution is asking the government to consider the setting up of a compulsory automobile insurance plan sponsored by the government. I am quite sure that all hon. members will support it. It is only asking the government to consider this.

I remember when speaking in a similar debate 12 months ago, I stated at that time I attended a banquet in the city of Oshawa and there was a very wealthy individual, I suppose he would be regarded as a millionaire, and when I mentioned to him my intentions regarding a resolution respecting compulsory automobile insurance, I said: "What do you think about it?" He said: "I am all for it, but it must be administered by the government."

I think that is the only way, Mr. Speaker, that we are likely to get a rate that will fit

into the pocket of our people. If we are going to compel the people in Ontario, who are driving cars, to take out automobile insurance, then I am quite sure the question they will ask is: "Will you provide it at cost?"

Mr. Speaker, in presenting this resolution for debate before the hon. members, I hope that they will concur with it and support it.

Mr. Speaker: The hon. member for Oshawa will have to have a seconder.

Mr. Thomas: Mr. D. C. MacDonald (York South): will second that.

Mr. Speaker: Mr. T. D. Thomas moves, seconded by Mr. D. C. MacDonald:

That in view of the statement of the hon. Prime Minister, expressing personal approval of compulsory automobile insurance, this House is of the opinion that the government should consider the proposal of any such compulsory coverage being provided at cost, through a government-sponsored automobile insurance plan.

Hon. J. N. Allan (Minister of Highways): Mr. Speaker, I am sure that the hon. members of this House understand that this government is naturally interested in motor vehicles being insured, and it was with that thought in mind that our present plan was adopted, whereby those owners of vehicles who were not carrying insurance were required to pay \$5 into the unsatisfied judgment fund.

I am pleased to be able to report to the House that that has been responsible for a greatly increased number of owners of motor vehicles being insured.

It has often been stated by hon. members of the government that our hope and ambition is that all owners of motor vehicles will be insured. It has been mentioned as well that the plan that should be followed, in accomplishing this fact, is one that requires a great deal of consideration and study.

This plan, which has come into effect this year, will enable us to have that study. At the end of the current year we will know how many persons are insured, or how many owners are insured, as well as the number who are not insured.

I think it might be interesting to the hon. members of the House if I brought to their attention our position as a province, so far as automobile insurance rates are concerned, in comparison with other comparable jurisdictions.

Now, it is generally recognized that compulsory insurance requires that every driver

and every motor vehicle should be insured, and then the problem arises as to who will be given that insurance.

Under our present system, a great many drivers, whose record has not been good, have been removed from the road for the reason that it has not been possible for them to obtain insurance and because of the requirements of The Highway Traffic Act, whereby these drivers who have unsatisfactory records are not permitted to drive unless they do have insurance.

As a result of this regulation, it is reasonable to assume that the experience of the insurance companies must have been comparatively satisfactory in comparison to other jurisdictions.

I have some rates which I obtained, and which apply to a preferred risk, with limits for personal injury to one person \$10,000 and personal injury to two or more persons \$20,000 and property damage of \$5,000.

In rural Ontario, the standard rate for such a policy is \$23, while in the Toronto area, it is \$32.

Now let us compare that with other jurisdictions; some that have had compulsory insurance for some time, some who have had it for only one year, and some who do not have it at all.

In Boston, Massachusetts, the comparable rate with Toronto at \$32 is \$167.10; in the Buffalo, New York, area, \$76.40. New York city, I would not suggest as comparable, but you might be interested in the rate there which is \$124.45. In Montreal, \$58. In rural Massachusetts their rate of \$54.70 compared with \$23 in rural Ontario, with \$48.80 in rural New York state, and \$46 in rural Quebec.

These rates indicate to me that our accident experience in this province, under our present system, must be considered to be satisfactory. I endeavoured to compare our experience here with the province of Saskatchewan, but such a comparison is very difficult for the reason that the compensation paid in the province of Saskatchewan is so different from that of any other jurisdiction. Many of us read, and there was a great deal of publicity given to, an instance where a young man was awarded \$125,000 damages for the loss of his eyes, in our courts. The compensation paid in Saskatchewan for a similar loss is \$4,000, so that when we compare rates—and to have a comparison for a study that is worthwhile—a very intensive and detailed study is required.

The Saskatchewan system, likewise, has a limit of \$2,000 for property damage and a deductible amount of \$200 on each policy, and the information I have indicates that 5 out of 6 of the property damage claims are under \$200. We have, as well, the conditions that exist in Saskatchewan. It is largely a rural province with a smaller population, and a lesser density of traffic. As a result, the accident record should be better.

I feel that in this province at the present time, with our increased minimum limits of payments for public liability, and for property damage, the limits of payment are exactly the same under the unsatisfied judgment fund, as is the minimum that is required for an insurance policy, and are similar to the requirements in the state of New York. The state of New York as we know, has just completed one year's experience with compulsory insurance. However, they do not have an unsatisfied judgment fund, so that in reality there will be certain persons in New York state who will not have the protection that our motorists and others in this province have.

The collection of the \$5 additional fee to be paid into the unsatisfied judgment fund made possible the increased damage payments. The amounts were raised from \$5,000 to \$10,000 for one person, and from \$10,000 to \$20,000 for two persons or more, and property damage was increased from \$1,000 to \$2,000.

Also this session, we have removed many of those items which we felt tended not to facilitate the payment of the money out of the fund, to make it possible to have the person who had a claim which had been justified, to receive the money more promptly than had been possible before.

The Saskatchewan fund is similar to our unsatisfied judgment fund in one respect. The amounts that are paid by way of compensation in Saskatchewan are paid without a court action, while the damages, which an innocent person who has been effected may receive, are only paid as a result of court costs almost entirely similar to our unsatisfied judgment fund.

Mr. D. C. MacDonald (York South): The hon. Minister is wrong there.

Hon. Mr. Allan: That is the information I have. We have looked at it very carefully. The compensation is paid without a court action, but the damages in addition to the compensation are only paid as a result of the court action.

Mr. Speaker, it is my feeling, and I am sure that such is shared by the great majority

of the hon. members of this House, that the study we are conducting this year is a matter of sound practice which is possible because of the change brought about by the collection of the necessary fee, which will provide us with the first sound information concerning those owners of motor vehicles who are insured, and those who are not. After gaining this experience, we will then be in a much better position to decide our next step.

The matter of our examination centres—that is, the establishment of examination centres which are conducted by civil servants—is a part of our overall plan. We would like to reach the stage whereby insurance companies would accept the result of our examinations as a basis for their issuing, or not issuing, insurance to the drivers of motor cars.

We think that will be possible, and I think I express the feeling of certainly a very great majority of this House when I say that the plan we now have is a satisfactory one. It is going to be most helpful. In fact I would not—and I ask that the hon. members of the House do not—lose sight of the fact that our experience in this province, as indicated by our insurance rates, suggests that we have had a satisfactory plan.

But we feel that it is desirable that all owners of motor cars, and drivers of motor cars should be insured on a sound basis that will be satisfactory to the people of our province, and that is the plan we now have underway.

Mr. A. H. Cowling (High Park): Mr. Speaker, I would just like to support what the hon. Minister of Highways has said, and at the same time, I would like to tell the hon. Minister of Highways and his Deputy Minister how the insurance industry and the insurance people generally in the province of Ontario appreciate the splendid co-operation that they have had.

Interjections by some hon. members.

Mr. Cowling: What are all those cracks over there?

Mr. Thomas: I would think they would appreciate—

Mr. Cowling: Oh, thank you very much. I am just simply telling the hon. member that they do.

I am not going to say anything about Saskatchewan. I had quite a bit to say at the time we spoke on the Throne debate, Mr. Speaker. Saskatchewan is a nice little rural province, and they do not have the same problems that we have in Ontario.

Hon. Mr. Frost: A shrinking population.

Mr. Cowling: That is right. A shrinking population, so it is all right for them to run their little show out there, but it is a different problem than we have in Toronto.

I wanted to say again that the new plan of the \$5 fee to those owners who are not insured is a good one, and certainly by the end of this year, the hon. Minister will be in a position to come up with some pretty definite figures and statistics which we have never had before in the province.

It is estimated with this new plan, that by the end of the year, we will have probably 80 per cent. or 90 per cent. of the car owners in our province insured, which is going a long way in the right direction.

Now, a lot of study has been given to the problem, and I believe that we need to give it a lot more. Whether the study should be carried on by a Royal commission, or by a select committee of the House, is something that can be considered as we go along. As hon. members know, in the province of Nova Scotia, they had a very excellent Royal commission report, and I made some mention of that in the debate before. One of their final recommendations was to the effect that they recommended to the Legislature of that province, that a compulsory automobile plan be set up, operated through private insurers, and of course that is the one that I would support.

As a matter of fact, Mr. Speaker, I sometimes think that governments generally are getting into a lot of businesses, and I often wonder why our hon. friends on the opposite side chose insurance as one of the things that the government could very well take over. I think it is a very good indication that it is a wonderfully sound and prosperous type of business, or else our hon. friends in the CCF would not want the government to be going into it.

Mr. Thomas: Would the hon. member permit a question?

Mr. Cowling: Yes, I am going to permit a question, but I should remind my hon. friend that here, a little while ago, I rose and asked him if he would permit a question and he gave me the old brush-off. But to show him that I am a very democratic fellow, I would be happy to answer his question, if possible.

Mr. Thomas: Mr. Speaker, I would just like to ask the hon. member if he was surprised when the government of Ontario got

into the hospital field, or will get into the field, on January 1, 1959?

Mr. Cowling: No, I was not surprised, Mr. Speaker, but I do not hesitate to say that I spoke in opposition to it for a great many years, and I will admit that.

Mr. Thomas: And he was proved wrong.

Mr. Cowling: I admit that, and I was wrong. The government is now in the business, and we are going ahead with this great plan. I can be wrong. I think we all can. I think it is a great thing, Mr. Speaker, when one can admit it.

But at the present time I am saying this, that if we get into a compulsory scheme, that it should be done through the private insurers, and I am saying that again now, because they are the people with the experience, and they are the people who can handle it probably better than the government.

I just want to support what the hon. Minister of Highways has said, let us go slow on this thing. Let us back it up with facts and figure which we are getting together, and we will be in a great position by the end of 1958 to proceed on a sound business-like basis.

The hon. members of the House should remember, Mr. Speaker, that we are launching this tremendous hospital plan on January 1, 1959, and that is quite a bite to be chewing off all at the one time, and I hesitate to see us considering too seriously a programme of compulsory insurance at the same time.

Mr. H. F. Fishleigh (Woodbine): I sincerely hope that this government never goes into the car insurance business. How would one like to be an hon. member, and have one of his constituents involved in an accident? The phone will ring, and he will have to rush down to the government, or some government agency to help the constituent out, because it would be his duty to look after a constituent, whether he was in the right or whether he was in the wrong.

It will be a sad day for us, as members, to get into that business.

Moreover, the costs were brought up, involving 42 per cent. I do not know where they get those costs because I am on the board of a mutual company, and the insured gets his insurance at cost.

All we have is our overhead of the office, and the office is not very much. The hon. Minister pointed out the various rates compared with Boston and compared with Ontario.

Now those rates, \$32 he mentioned, will not continue forever, because every company, I believe, in the province of Ontario, is losing money today on car insurance. No doubt the rates will have to be adjusted upwards somewhat, but not to the extent of Quebec or Boston. It will be a sorry day for us as hon. members if we go into the insurance business and I would certainly be against it.

Hon. L. M. Frost (Prime Minister): Before my hon. friends speak, might I just say a word on this subject. As a matter of fact, I said to the hon. member for Oshawa, that I was anxious that he should bring up this resolution, and I am quite interested. What I will say has a bearing, of course, on the resolution introduced by my hon. friend from Bruce (Mr. Whicher). I am glad those resolutions are there, and I would like the hon. members of the House to have the fullest of opportunity of discussing them.

I may say, with the hon. Minister of Highways (Mr. Allan), that I did suggest to him that he should endeavour to have a discussion on this matter in the committee on highway safety, and I hope that there was a good discussion there. I am very anxious that such should be the case.

Now, sir, I have been very much interested in the problem of providing compensation by way of insurance for persons who are injured, or who suffer property damage, or whose families suffer through accidents on the highway.

I think that is a highly important subject. I want to put certain questions before the House and, through this medium, put certain questions to the people of Ontario, to clear certain matters.

First of all, I am not enamoured of my hon. friend's proposal in connection with government-sponsored car insurance. I may say that as one who has had a good deal to do with sponsoring hospital insurance.

The premises are entirely different, and I must admit that I would hesitate to put the government or a government agency into the car insurance business. I will not elaborate on my reasons for that. They are many and varied.

I would say this, that in a province such as this, I would be very fearful that if we got into that type of insurance, it would mean that it would have to be all-embracing and that the premium would increase. Now it must be remembered that in hospital insurance, there is a very definite limitation to the stay of people, and there is every effort being made to control that situation.

Mr. R. Whicher (Bruce): The hon. Prime Minister does not let them stay.

Hon. Mr. Frost: No, but I point out this—the person remains in hospital—I am talking about hospital insurance—for the period of time that he or she needs to be there.

Now the great problem with a government-sponsored system of insurance is this. This is one of the problems that I see. The minute that the government, or a government agency or insurers get into compulsory insurance, making persons compulsorily insure, then, of course, we change altogether the attitude that courts and juries take in connection with cases. Now that is a very important point, and we run into this.

In the administration of justice, we have in the supreme court, perhaps 20 judges who determine these cases. We have a great host and a great array of county judges that assess the cases. About the only way it could be handled would be by an adjustment, something after the fact of the workmen's compensation board. Now, the minute we do that, of course, we very much interfere with the rights of citizens. I would say this, that I think the hon. leader of the Opposition (Mr. Oliver) would again elaborate on our descending into boards and commissions to deal with matters of that sort.

At the present time, a jury decides a damage case on the basis of the damages that are incurred by an individual. It is forbidden for any counsel to mention to a jury that a person is insured, for very obvious reasons. That is a very strict rule, and it is such that it can be the ground for a retrial.

Now remember, the minute compulsory insurance enters the picture, that vanishes. There is no need to tell a person that there is insurance in the case, for the very reason that everybody knows that insurance is compulsory. I think that we would certainly have to get down to some type of a board adjudication on the amount of damages for this reason, that we would be faced with this—a judge in one county might take a totally different view than a judge in another, so might a jury, and there would have to be some method of levelling—

I see my hon. friend for York South agrees. Now I would say—

Mr. MacDonald: One cannot avoid the legal costs.

Hon. Mr. Frost: That, of course, is a different question because, remember, one would not insure unless there was liability, and I would say that matter is a very serious one

and could very much—remember, somebody has to pay for this, and the way it would be paid would be through the premium

Here are some other questions. I would like the hon. members, in discussing this very important question, to remember these things:

First, in talking of compulsory insurance, the average person believes that there is, or that there could be, a total coverage. That is incorrect. We would still have to have the unsatisfied judgment fund for this reason. There are some 6 million cars presently coming into this province, probably more than that.

Now, those cars come from various states and jurisdictions and they come into the province of Ontario. They may not have a coverage which provides protection for a person who is injured, or the family of a person who is killed, in this province. Therefore, to have complete coverage, there must be an unsatisfied judgment fund.

That, I think, follows. The matter of having compulsory insurance does not mean abolishing that fund.

The second thing is this. The unsatisfied judgment fund protects against the hit-and-run driver, and I would point out that there is only one way to protect against that, and that is by something in the form of an unsatisfied judgment fund.

May I point out this, that there is also this feeling—and I noticed it in some of the editorials in the papers. A short time ago, last fall or last summer, there was a judgment recovered in one of the Hamilton courts, or one of the Wentworth courts, for \$125,000 and costs, and stacked up against the judgment of \$125,000 was the amount of the unsatisfied judgment payment, which at that time was \$5,000 and \$10,000. Now it is \$10,000 and \$20,000.

People would thoughtlessly say that, if there was compulsory insurance, that person would receive the \$125,000. May I point out that that is completely incorrect, for this reason. No fund could afford to carry a coverage of \$125,000 or an unlimited coverage such as some people possess today in private insurance.

As a matter of fact, if you had compulsory insurance in the province of Ontario today, the compulsory limits would hardly exceed the limits of today which are what—they would be undoubtedly the same, that is—what is the collision? 10-20 and 2. What is the 2 for?

Hon. Mr. Allan: The “2” is the amount paid out of the unsatisfied judgment fund,

the “5” is the minimum for which an insurance policy may be obtained for property damage.

Hon. Mr. Frost: All right then, it is \$10,000 for one person or \$20,000 for one accident. If one were to exceed that, the cost of the compulsory insurance would simply be prohibitive. There must be a limit, and I doubt that they can exceed the limits that we have, preferably today.

It is false thinking to think that if you have compulsory insurance, that a case like the Hamilton case is going to be taken care of, because it simply could not be taken care of.

Mr. Whicher: Could I ask the hon. Prime Minister if he knows what the coverage is in Massachusetts or New York?

Hon. Mr. Frost: I could not give the details of that, no, but I would say this. At the present time, and I am talking about this matter, pointing out some of the problems without attempting to prejudice the ultimate solution at all, and I will listen with great interest to what the hon. members of this House have to say in connection with it.

I think that all of the evidence would point to this at the moment. Unless there is something that could be done, or can be shown to remedy this, that the premiums undoubtedly would be driven up. Let hon. members remember this, that we have a great deal of competition between private concerns at the present time. When we get into this very doubtful field of automobile insurance, if we have it, either by a single company, by a government-owned company or by other companies, we are going to drive up the premiums, and the policyholders are going to pay the costs of all of these things that I have mentioned in their premiums.

May I point out this, today every hon. member of this House, every person in Ontario, every man, woman and child in Ontario, is today covered by insurance under the unsatisfied judgment fund for 10 and 20 as we have mentioned. Now that insurance is purchased at this price—at \$1 for every driver and \$5 for car owners who have no insurance or insurance certificate.

Now, it has some very definite advantages, it has this control, that it does not drive up the cost of the person who insures, and the other point is that it has this very great effect, that if a person is not insured and drives on the road and causes an accident,

and is the subject of a judgment, then that person is put off the road.

That is a very great control, and I would say to you, Mr. Speaker, that we want to look very carefully before we abandon that. I would point out this, that with compulsory insurance I think it is the duty of the state to see that a person is able to get insurance if he is able to navigate around at all, and this would drive up the premium.

Now the alternative to this is to cut everybody off at say 68 years of age or 70 years of age—regardless, and to cut off certain people who are driving with disabilities today. There are many people who are very good drivers today, who are given permits and who drive with certain forms of disability. I would say, Mr. Speaker, that if we have compulsory insurance, we have to say this, that everybody with a disability is entitled to drive a car or, in the alternative, if they have certain disabilities, they are automatically barred, and when they get to a certain age, they are automatically barred.

Mr. MacDonald: Why would we have to say that?

Hon. Mr. Frost: Of course we would, and this includes a person with a certain defect in vision. Now, with myself, I think my vision is fairly normal when I have my glasses on, but no doubt they would have to make certain conditions and rules in connection with vision that would be unalterable. Now I would say this—

Mr. Whicher: Do they not do that now with the hon. Prime Minister's insurance?

Hon. Mr. Frost: Now, just a moment, just a moment. I am telling the hon. member when we get into the matter of compulsory insurance it is not an easy matter. I have done a lot to sponsor hospital insurance in this province, which can be on a compulsory or a mandatory basis, and I think that I am speaking with some knowledge.

I look at the problem in connection with compulsory insurance with a great deal of misgiving, and I would like some of the other hon. members—

Mr. MacDonald: He is confusing the issue.

Hon. Mr. Frost: I was talking to the hon. member for Bellwoods (Mr. Yaremko) who has some very good ideas in connection with this matter. It may be, and I am not laying this down as the solution, but it may be this, that the solution is to leave our insurance arrangements that we have at the present time with private insurers, leave those things alone,

and encourage the competition that there is at the present time, which is giving to us here in Ontario, generally speaking, among the lowest rates of any comparable jurisdiction. There is no use comparing us with jurisdictions that are not like us, but any comparable jurisdiction in America.

I would think that every hon. person in this assembly today is insured. If he meets with an accident, he is protected with the present limits of 5 and 10, but if there is compulsory insurance, I warn hon. members that they could never count on any more than that, because it would be too expensive for the ordinary man to pay, and he would never do it.

It may be that the remedy is in this. First of all, perhaps by raising the limits in some way of the unsatisfied judgment fund, which has certain very great restrictions in it—that is, it can put a person off the road. I do not think there is a greater deterrent in this province than that.

It might be possible, in some ways, to increase the limits of that unsatisfied judgment fund in this way—by increasing the amount of the present \$1 contribution, perhaps upping the \$5 that we are presently paying. I would not pass on that because that is a pretty difficult problem. As a matter of fact, it may be that the \$10 and \$20 limit that we have at the present time is all that any scheme of that sort could bear.

The second one would be to make a provision—now I admit there are difficulties in this—for an easier payment from the fund without having to go through some of the details and formalities that we have at the present time.

I recognize that there are difficulties when it comes to making payment by way of a settlement, and then causing the liable person, with all these sanctions against him, to be put off the road if he does not pay. After all, a person is entitled in these things to the verdict of a court, and that is going to be the situation, and remember we have that at the present time.

Those are just some of the things that I suggest the hon. members consider.

We are doing something in this province at the present time, that has not been attempted elsewhere, and the hon. Minister of Highways has explained that. That is, the bringing in of the \$5 payment for the person who has no insurance certificate. We will have data to go on at the end of this year which no other jurisdiction has had,

insofar as I am aware, in dealing with this problem.

Of course, we are watching the experiment being carried on in the state of New York at the present time. And if there are things to be learned from the New York experiment, let us make use of them.

On the other hand, I would compare them very carefully with what we are doing here at the present time, because again I think if we have compulsory insurance in the province we are not going to increase the protection of the people of the province of Ontario by one penny's worth unless we are prepared to raise the limits and raise the premiums accordingly.

That is about the situation as I see it, and I do not put those things before the House dogmatically. I put them before the House for the purpose of getting viewpoints which, I can assure hon. members, we will listen to with interest, and they will be taken into consideration in dealing with this problem in the coming year or two.

Mr. J. Yaremko (Bellwoods): Mr. Speaker, in addressing a few remarks about the matter of compulsory insurance, a great deal of what I perhaps might have said has already been said by the hon. Prime Minister, and I agree with him.

We purchase automobile accident insurance for 3 main purposes: to protect our own assets; to preserve our driving rights; and thirdly, to afford protection to others who might suffer as a result of our negligence. Those 3 things we can take care of by ourselves, as individuals, by buying an insurance policy.

There is very little that we can do to obtain the protection that we are affording others as individuals. That is the place where we have to direct our attention. How can we best provide for citizens' protection from the negligence of others?

At one time, I must confess, I was wholeheartedly against compulsory automobile insurance. The "compulsory" is something that I rebelled at in the beginning.

But then, after a period of time, there occurred cases such as the judgment which has been referred to as the Hamilton incident wherein the young lad was awarded a judgment of \$125,000. Instances such as that, of course, must have set a great many others and myself to thinking. What would my wife, what would my family, do, if I were to have suffered \$125,000 worth of damages and not be able to recover anything except a small part of it?

Then the *Toronto Globe and Mail*, following that Hamilton incident, did have an editorial in which it referred to the flimsy fund and, reviewing the situation, it came to a conclusion which I, perhaps at that time, would also have come to. It states that 25 per cent. of Ontario's drivers have no public liability insurance. That surely is a strong argument for compulsory auto insurance. It is so easy to believe that if there were compulsory auto insurance that this young lad would have recovered.

As the hon. Prime Minister has very correctly pointed out, he would have not been any better off if we had had, in this province at the time of his accident, compulsory automobile insurance with the limits that we have now of \$10,000 and \$20,000. Unfortunately for him, the new limits were not in effect at the time. They did not come into effect until January 1, 1958.

I requested The Department of Highways to produce for me some figures in going into this matter, and they prepared for me a list of the judgments which were rendered from a period of April 1, 1956, to December 31, 1957—an 18-month period—and it is a list of some 80 cases in which judgments were awarded above the maximum of the fund.

Please bear in mind that these are the judgments which were rendered prior to December 31, 1957. It was on January 1, 1958, that the new limits came into effect, from 5 and 10 and 1 to 10 and 20 and 2.

The office of the hon. Minister of Highways made a comparison. They listed the judgment and the amount that was paid out of the fund under the limits of 5, 10 and 1 and then drew up a schedule what the amount would have been if those particular accidents had occurred after January 1, 1958, in which the limits were 10, 20 and 2. The total of the 80 cases falling within this category, that is, over the limits. There may have been many more under the limits which would have been paid into.

The total judgment of these 80 cases was \$1.259 million. The amount paid out of the fund in respect to those judgments was \$479,000, which indeed was a difference of some \$700,000 which is the basis upon which anyone, perhaps, prior to January 1, 1958, might have called the fund a flimsy one.

Having seen, I am sure, the proportion of the judgments that were being rendered and the amount being paid, this Legislature brought into effect the increase as of January 1, 1958. Under that increase, had they been in effect for this period of 18 months, the total payments out of the unsatisfied judgment

fund would have been \$934,000 leaving some \$355,000 still unpaid. But one can see that, for the payment of a dollar extra from \$1 to \$2 enabling us to raise the limits from 5 and 10 and 1 to 10 and 20 and 2, we would have gone a long way in satisfying completely the judgments which were rendered had this been in effect for that 18-month period.

Now, it is true that we would not be able to take care of, perhaps for a long time, all the judgments which might have been incurred. I doubt whether, perhaps for many years to come, we will be able to devise a scheme of any kind which would take care of judgments with no limit up to \$125,000 but perhaps the solution lies in this.

For example, if an accident happened prior to January 1, 1958, and the judgment was for \$17,000 the payment out was only \$5,000. But if that accident had occurred after January 1, 1958, the payment out would have been the total amount of the judgment \$17,046. The \$1 extra was paid by all the motorists, and that is the significant difference. There is a judgment here, for \$30,000—only \$5,000 was paid out of the unsatisfied judgment fund, but if that accident had occurred after January 1, 1958, the payment out would have been \$20,000.

Mr. Whicher: Your first limits were 5 and 10 and 1 and they are now 10 and 20 and 2 so surely the payment would have been \$10,000 in the second instance?

Mr. Yaremko: Well, we will take this one. There was a \$25,000 judgment; \$8,000 was paid out of the fund, so there was one accident involving more than one person; \$8,000 was paid out of the fund. There would have been \$22,000 paid out of the fund after January 1, 1958.

Mr. Whicher: Why was there only \$8,000 when the limits to start with are 5 and 10?

Mr. Yaremko: The individual damages suffered by the individuals—one person may have suffered more than \$7,000 or may have suffered \$9,000 worth of damages, and the other individual may have suffered only \$1,000, because it is \$5,000 per person maximum, \$10,000 maximum for the whole accident regardless of how many persons were involved—there may be 3, 4 or 5 persons involved.

Hon. Mr. Frost: The hon. member's argument would be safer if he multiplied it by two.

Mr. Yaremko: No, there is not a straight multiplication.

Hon. Mr. Frost: No, no. If a person got \$7,000 under the old 5 and 10 arrangement, when it becomes 10 and 20 they get \$14,000, would that not be it?

Mr. Yaremko: No, it all depends on the individual.

Mr. Whicher: Five and 10 under the old arrangement and individuals would get \$5,000.

Hon. Mr. Frost: What I am coming at is this. If it was 5 and 10 under the old arrangement, and the amount of the judgment was \$7,000, then if the rates were increased to 10 and 20, it would seem to me that probably on the same assessment it works out at \$14,000.

Mr. Yaremko: Not so, because each individual case depends upon the circumstances of the particular accident, and the way the damages were divided. But I suggest to the hon. Minister of Highways that, in view of the fact that a simple increase of \$1—that is increasing from \$1 to \$2 the levy upon the motorist—would have provided for an increase in payment out of the fund of some \$355,000.

Mr. Whicher: Remember it did not go from \$1 to \$2; it went from \$1 to \$2 and from there to \$5.

Mr. Yaremko: No, sir, \$5 for the uninsured.

Mr. Whicher: But you have to have the \$5 figure, too, to be fair.

Mr. Yaremko: We will assume that if the minor increase from \$1 to \$2 and \$5 in the case of those who are uninsured would have provided these benefits, I think that all the attention should be directed towards an analysis of the figures along these lines, within the next year or the next 18 months or the next two years, to discover what increase from \$2 to \$3 and perhaps from \$5 to \$10 or from \$5 to \$20 for uninsured drivers, to find what increase is actually necessary in order to come as close to perfection in the payment of the judgments rendered. Because if we stop and think that for \$2 as the hon. Prime Minister has pointed out, we are insuring ourselves against the non-payment of a judgment rendered in our favour for \$10,000, I am sure the hon. member for Bruce would agree with me that nowhere could one get \$10,000 of personal protection for \$2.

Mr. Whicher: It has already cost me \$75, and it does not seem right that I should or, anybody else should, have to pay an extra \$2.

The other fellow who does not pay the \$75 gets the same coverage.

Mr. Yaremko: The only difference is that if compulsory automobile insurance were in effect, the premium of \$75 which he is now paying would be far beyond the \$75.

Mr. Whicher: The hon. member has no assurance that it would be up there.

An hon. member: Let us study it and find out.

Mr. MacDonald: Great! We really need it.

Mr. Yaremko: So I suggest to the hon. Minister of Highways that he go through the study of these figures which we projected back, and that now he examine figures in the next 18-month period to see whether increasing the limits of the unsatisfied judgment fund again is the answer to this very serious problem.

Mr. MacDonald: Well, Mr. Speaker, speaking in support of this resolution, I must say that the most interesting feature of this debate so far is the uncanny parallel between the arguments that are being used against car insurance now with those that were used against hospital insurance about 3 or 4 years ago.

I can remember listening to the hon. Prime Minister saying that we must study it longer. This is the stage we have now reached with car insurance—

Hon. Mr. Frost: We did a good job. Was that not all right?

Mr. MacDonald: —of saying, for example, that it is going to cost us a great deal more, just as the hon. Prime Minister two or three years ago, used to exaggerate the likely cost to the province of hospital insurance, and therefore we must move cautiously. That was the kind of an argument used against hospital insurance for years and now it is being used against car insurance in what might be called a “last ditch stand” approach to delay as long as possible.

Hon. Mr. Frost: I point out my hon. friend is adding nothing by saying that. If my hon. friend would get down and judge the merits of this thing—

Mr. MacDonald: Let me add something.

Hon. Mr. Frost: —and leave out all these personal references, he would do a lot better.

Mr. MacDonald: That is very good coming from the hon. Prime Minister. It is a very

strange comment, for this is the kind of thing that he has been indulging in for years—personal attacks on me rather than dealing in a substantive way with arguments I have raised.

An hon. member: Let us get down to business.

Mr. MacDonald: For example, the hon. Prime Minister brings in a straight case of misrepresentation and nonsense when he argues that if we have a compulsory plan then we would either have to insure everybody including those with a disability, or not insure them all.

Hon. Mr. Frost: Could the hon. member do it any other way?

Mr. MacDonald: Well, of course, we would do it, Mr. Speaker, in precisely the way we now do it. If a person is disabled to a point that he cannot drive a car, he just cannot get his driver's licence and therefore he does not need insurance. The proposition that everybody who is not able to drive a car would automatically have to be insured, I repeat, is nonsense.

Hon. Mr. Frost: I would hate to be the commissioner who would try to differentiate.

Mr. MacDonald: For example, consider the arguments of the hon. member for High Park. I shall let the hon. Prime Minister's blood pressure subside a little. I hate to see him get disturbed so. Let me come to the hon. member for High Park. This is the second time he has repeated these arguments in the House.

Mr. Cowling: There is no high blood pressure here, my hon. friend.

Mr. MacDonald: Again, with uncanny accuracy, the very arguments he was using against hospital insurance last year, and in his heart of hearts, he has not changed his mind. He is now repeating them against car insurance.

Mr. Cowling: Mr. Speaker, what does the hon. member mean by “in his heart of hearts”? Was not that the term?

What had I not in my heart of hearts? That sounds like a title for a song.

Mr. MacDonald: I suggest that in his heart of hearts the hon. member is still not in favour of hospital insurance because, and I do not say this in a—

Mr. Cowling: I can only say in my heart of hearts I am.

Mr. MacDonald: He is?

Mr. Cowling: Yes.

Mr. MacDonald: Let me say this to the hon. member. He told us frankly this afternoon: "Last year I was wrong. I admit it." I tell him that two or three years from now when this government is forced by events to implement compulsory car insurance, he will have to get up and say the arguments he is now using against car insurance were wrong.

Mr. Cowling: All right, sure, I can still be. That is one of the nice things about my hon. friend. He is never wrong.

Mr. MacDonald: All I am suggesting, Mr. Speaker, is that if the hon. member examined the reasons why he changed his mind with regard to hospital insurance, they apply equally to car insurance.

Mr. Yaremko: Would the hon. member permit a question?

Mr. MacDonald: Surely.

Mr. Yaremko: I was very much concerned about this judgment of \$125,000 which was rendered for this young chap in Hamilton. Would he have recovered the \$125,000 under the Saskatchewan scheme? If not, how much would he have recovered?

Mr. MacDonald: Just let me spell out the Saskatchewan scheme in a moment and I will come around to that.

Mr. A. J. Child (Wentworth): \$4,000. Why does the hon. member not answer him? Tell the truth for a change.

Mr. MacDonald: There are two or three points that I originally wanted to make following these introductory remarks in commenting on the debate thus far. First, Mr. Speaker, we have to recognize that the unsatisfied judgment fund is not a satisfactory solution to this problem.

More and more people are saying so. I know the government is stuck with the fund and is trying to improve it with this extra \$5. But it is not a satisfactory solution.

As the hon. member for Bruce said a moment ago—why, when a car owner has bought insurance, should he have to spend an extra \$2 to protect himself against the fellow who is not buying insurance? It seems to me that this is not a fair kind of approach. The fund is well named—it is not satisfying anybody, as somebody has quipped quite a while ago. As a matter of fact I would like to refer in passing, Mr.

Speaker, to an earlier speech in this House, by the hon. member for York West (Mr. Rowntree), who is not in his seat.

After a lot of research, which apparently involved The Department of Highways and The Department of Transport, he provided us with some interesting information on the unsatisfied judgment fund from which he drew his conclusion.

His conclusion was that he was not in favour of compulsory insurance, and wanted to continue with the present plan.

But I just want to remind the House of the incredible information that he gave us.

If the hon. Attorney-General (Mr. Roberts) wants to follow it he will find it on page No. 459.

The hon. member said that there was a residue of unsettled claims in the department totalling something like 400. He investigated these 400 claims and what did he discover? He discovered that, with regard to 116 of the claims, the lawyers replied, when queried by the department, that they had received payment privately. Now, I suppose the reasons why payment finally was made privately may vary in each one of the instances, but I suspect that one of the reasons is that when faced with a threat of prosecution, and payment from the unsatisfied judgment fund, the uninsured driver loses his licence until he pays the fund back.

Hon. A. K. Roberts (Attorney-General): So uncle paid it—or auntie.

Mr. MacDonald: Exactly. Here is a quarter of the cases of this unresolved group where the fund had been used merely as a threat for a certain time and then the uninsured driver settled out of court, privately.

Secondly, there was another group of 100 whose reply was almost beyond comprehension, Mr. Speaker. These were lawyers who presumably would read the Act on behalf of their client so that they would know the details of the law. Yet there were 100 of them who wrote back after the inquiry went out from the department, expressing thanks for reminding them of their deficiency, and stating that they would proceed at once with the finalization of the matter. They were just tardy in doing their job. But if that was bad, the next group was even worse.

As a member of the legal profession, the hon. member expressed his distaste in revealing to the House that the remaining group—almost 50 per cent. of the total, close

to 200 of the 400—replied to the department, asking what to do next. These lawyers in effect said, "Where do I go from here? How do I resolve this claim? I have gone so far, but I do not know the next step." Now I repeat, these are practicing lawyers who presumably had read the Act in order to serve their clients. It is obvious the clients were not being served very well.

The point I want to make is that here is another glimpse of the workings of the unsatisfied judgment fund, and obviously it is highly unsatisfactory, even from the point of view of the lawyers who were not doing a job on behalf of their client.

Let me make one other comment with regard to the unsatisfied judgment fund in relation to what the hon. Prime Minister and others have said.

Hon. Mr. Roberts: As my hon. friend probably knows, Mr. Speaker, the new arrangement which will go into effect, I expect shortly, will short cut the procedure after judgment to a point where a type of holding back by reason of fatigue to take the proper steps would, I think, be reduced to an almost irreducible minimum. To that extent the amendments that have been authorized by this House should bring quicker and better relief.

Mr. MacDonald: The point I wanted to make when the hon. Attorney-General interjected was that it was suggested that even if we had compulsory insurance there would still be need for an unsatisfied judgment fund to cope with hit-and-run drivers and out-of-jurisdiction drivers.

This is not necessary. It does not exist in the province of Saskatchewan. In the case of a hit-and-run driver, the person who is insured in the province of Saskatchewan is paid whatever the Act stipulates. If they can find the hit-and-run driver, then the fund can sue the man, whether he is inside or outside the province.

Hon. Mr. Allan: How can one sue a hit-and-run driver?

Mr. MacDonald: I say if one finds—

Hon. Mr. Allan: If they find him, he is not a hit-and-run driver.

Mr. MacDonald: Well, I agree. If he is caught, then he is not a hit-and-run driver. I do not want to get into an argument on this, because I think this a factual point that cannot be disputed.

When a person is hit by a hit-and-run driver he becomes eligible for certain payments under the Act, and he gets those automatically without having to go through any process of law.

Mr. R. Macaulay (Riverdale): But only if he is insured himself.

Mr. MacDonald: Maybe I am getting ahead of the point that I wanted to make about the Saskatchewan plan, but just let me interject that everybody in the province of Saskatchewan is insured whether he is a driver, a pedestrian or a passenger. It is an overall social security plan that covers everybody, for every conceivable liability or loss arising from a car accident.

Hon. Mr. Allan: Will the hon. member answer me one question? Is the hon. member not trying to say that the difference between Saskatchewan and Ontario is that when you buy your insurance in Saskatchewan a certain amount of that is used to finance an unsatisfied judgment fund?

Instead of paying it on your driver's licence you pay it in your insurance.

Mr. MacDonald: I agree with the hon. Minister that it becomes part of one's payment, and therefore it is all covered. But the point is the minimum payments range from about \$10 up to \$30, and this gives them the basic coverage plus the protection given by our unsatisfied judgment fund. Then why have this confused and complicated fund besides the basic insurance coverage? It can all be incorporated in compulsory insurance coverage.

The other point I wanted to make, Mr. Speaker, is about out-of-state or out-of-province drivers. If an out-of-province driver hits somebody who is insured in the province, then the victim gets his payments. He gets them automatically without any court action. If this out-of-province driver has no insurance, the government insurance fund can take the necessary steps to reclaim from him at least what they have paid out to the resident in the province.

Hon. Mr. Allan: I wonder if my hon. friend would inform the House fully on his explanation of the Saskatchewan plan—if he would inform us of the amounts of the compensation that are paid.

Mr. MacDonald: Perhaps now I can proceed and we can cover some of the points that the hon. member for Riverdale is raising, too.

Before I spell this out, let me say this. I agree with the hon. Minister completely that it is not possible to compare Ontario with Saskatchewan. But by the same token it is not possible to compare the coverage the Saskatchewan plan gives with the private insurance coverage here, because the Saskatchewan plan gives coverage of a kind and to a degree that no private insurance company would touch at all.

As the hon. members of the House know, the basic plan in Saskatchewan is like our hospital insurance—it gives a minimum coverage the equivalent of standard ward. If one wishes, he can buy a package policy to increase this basic coverage to \$100,000 and \$200,000. The total cost for the package policy and the basic coverage is approximately \$50.

Hon. Mr. Roberts: I am not interrupting with the idea of upsetting the hon. member's argument. I think we are all trying to get somewhere on this particular motion. But the hon. member has mentioned that there is a coverage under the Saskatchewan plan that has to do with hospitalization.

Now here in this province we are on the threshold of going—

Mr. MacDonald: I did not say that.

Hon. Mr. Roberts: That is what I understood the hon. member to say. Well, may I just say this. We are now on the threshold of taking on a very comprehensive medical plan. Now certainly when it comes to the individuals being injured, that is very definitely something that is going to play quite a part in his particular situation.

Mr. MacDonald: I do not need to remind the hon. Attorney-General that in the province of Saskatchewan they started the automobile insurance plan 14 years ago, at the same time as the hospital insurance plan.

Hon. Mr. Roberts: Maybe so. But I am just saying if one wants to get the real coverage, which is what we are talking about, we must surely take into account this new hospital plan.

Mr. MacDonald: It is a separate item for which the payments are separate. Let us not drag that in to confuse the issue.

Hon. Mr. Roberts: I do not think it does confuse the issue

Mr. MacDonald: What they have in the province of Saskatchewan, Mr. Speaker, is a plan that seeks to give everybody complete coverage for every kind of liability or dis-

ability that might come through an accident, and it does not matter whether he is a driver, or a pedestrian, or a person who happened to be picked up along the road.

For example, there are death benefits up to \$10,000 in any one accident, there are dismemberment benefits from \$500 to \$4,000. To answer the earlier question, I think I am correct—though I would not be absolutely certain—in the case of this Ontario lad who had the \$125,000 judgment, I would judge that the maximum he could have received was \$4,000 under the basic coverage.

Mr. Child: Which is less than he would have gotten here in Ontario.

Mr. MacDonald: If the person had bought the package policy in addition to his basic coverage, he could receive up to \$200,000 public liability.

Mr. Child: What is the cost for that?

Mr. MacDonald: Well, the total cost is \$50 for the basic, plus the other package policy—in the region of \$50.

Interjections by hon. members.

Mr. Speaker: Order.

Mr. MacDonald: A further benefit is the supplementary allowance. This is one that has been added in the last two or three years because of surpluses in the fund. Notwithstanding what the hon. Prime Minister or others have said earlier, that in Saskatchewan the fund is subsidized from the general revenues, this is simply not the case. I think—

Mr. Cowling: I said that.

Mr. MacDonald: Yes, it was the hon. member. That is simply not the case. The fund stands on its own feet.

Hon. Mr. Allan: Payments are made to it in addition to the original premium.

Mr. MacDonald: No, no. I do not know what I can do to persuade him in this. I do not know if I can persuade the hon. member for High Park, but the fund in Saskatchewan is a fund which is separated from the consolidated fund, and into which no revenue is put in from the consolidated revenue fund.

Hon. Mr. Allan: That is not what I am suggesting. I am suggesting that the fund does receive payments. For instance, a man who might be convicted of careless driving, when his licence is renewed, makes a payment into that fund and the fund is—

Mr. MacDonald: By the same token, if someone is criminally negligent and the fund takes him to court and secures a judgment, it will go into the fund. But what proportion that represents of their revenue I do not know. I imagine it is not a large proportion.

The Saskatchewan plan is, in effect, a province-wide co-operative, if one wants to describe it as such. The funds are paid out to meet the needs; if there is a deficit, next year they have to raise their rates; if they have a surplus they can do one of two things: they can either cut their rate or they can extend their benefits. In the 10 or 12 years of the plan's existence, they have done both—in some instances the rates have gone up and in some other cases they have gone down.

Mr. Child: They increased them in 1955.

Mr. Macaulay: Could I ask my hon friend what the deductible is and what is the average provincial—

Mr. MacDonald: Would the hon. member let me finish this? I am coming to it.

Mr. Macaulay: Well, he is so painfully slow getting there, that is all.

Mr. MacDonald: I have been asked so many questions.

Mr. Speaker: Order.

Mr. MacDonald: A supplementary allowance up to \$1,000 is now payable for medical and nursing expenses, and this is an increase of \$400 over last year's supplementary allowance. This is a new benefit that has emerged in recent years.

Hon. Mr. Roberts: Is not that right in line with the hospitalization plan?

Mr. MacDonald: Exactly how that co-ordinates with the hospitalization plan—I will be frank with the hon. Minister—I do not know. This is, as I say, a development that has taken place in the last year or two—a new benefit that was put in.

A fourth benefit is the out-of-work benefits. For example, in Saskatchewan if a person gets hurt in an accident, and is incapacitated for a time, he is paid \$25 a week for a maximum of 104 weeks—that is for two years, and this comes out of the fund. It is part of the insurance coverage.

Mr. Child: How many people received benefit?

Mr. MacDonald: I cannot tell the hon. member that. I do not have the figure, but the benefit is there. If a person is hurt in an

accident he is entitled to this. This is the reason why I say to the hon. Minister one cannot compare the Saskatchewan coverage with that provided in Ontario by any private insurance.

Then, of course, there is comprehensive coverage for collision, fire, theft, and other miscellaneous coverages, providing for recovery of actual cash value, less a deductible of \$200—to answer the question of the hon. member for Riverdale.

There is public liability coverage up to \$10,000 per injury or death for one person, with a maximum liability insurance up to \$20,000 for more than one person injured or killed in any one accident. Finally every Saskatchewan motorist is protected against property damage to a limit, not of \$2,000 but of \$5,000. I think earlier the hon. Minister mentioned the figure of \$2,000. In any one accident a deductible of \$200 applies in Saskatchewan only.

Mr. Child: \$5,000.

Mr. MacDonald: Yes, the extremely important point here, Mr. Speaker, is that since one cannot compare one jurisdiction with another, or one policy with another, seems to me the important consideration is what proportion of the premium dollar is going back for the purpose it was paid?

When we were in the health insurance committee, a year ago, the hon. member for High Park will remember that there was really quite an explosion one morning when it was pointed out that in the instance of the 4 major companies providing hospital coverage, the total amount of the premium dollar paid back to policyholders was in one instance 61 cents; in another, as I recall, about 56 cents; in another instance about 46 cents; and a low of 39 cents.

Mr. A. Grossman (St. Andrew): Major companies?

Mr. MacDonald: I have forgotten the names of them but the 4 top health and accident companies.

Mr. Grossman: That were exclusively in that business?

Mr. MacDonald: Yes, they were exclusively in that business.

The point here, Mr. Speaker, is that no matter what the scheme, when we get to the stage where it is made compulsory—and I would say the overwhelming majority of people have now come to that conclusion—then it seems to me that we, as legislators,

are duty-bound to make certain our people get this insurance at the lowest price possible.

To provide this lowest price possible—as we have done now in hospital insurance—it is necessary to eliminate all of these excessive, uneconomic administrative costs. As the hon. member for Oshawa pointed out—my hon. friend for Woodbine said he did not know where we got the figures—they are from the *Financial Post* every year—

Mr. Cowling: Mr. Speaker, would the hon. member permit a question?

Mr. MacDonald: Just let me finish a sentence. The *Financial Post* shows the amounts paid out by the regular companies range from between 52 cents and 57 cents, so that very little more than half of the premium dollar is paid back.

Was there a question related to that?

Mr. Cowling: Yes, the hon. member mentioned that there is an uneconomic charge, or something there?

Mr. MacDonald: I was saying that there is an economic waste in getting only about 54 cents coverage from the premium dollar.

Mr. Cowling: Well, that was what I was getting at. In other words, he says that the amount of commission earned by the agent through his service, and what not, is economic waste. Would the hon. member like to say that?

Mr. MacDonald: That is right.

Mr. Cowling: The hon. member would say that, I would say he is all wet.

Mr. MacDonald: Well, I recognize that from his insurance company point of view, the hon. member would not agree. But my point is this—

Mr. Cowling: Agree to disagree.

Mr. MacDonald: When we get to the point where insurance is becoming an intolerable financial burden, and along with that we have the whole problem of uninsured persons involved in highway accidents, then we in the CCF say it must be compulsory. If we want to reduce the costs, if we want to avoid the kind of thing that is happening in some jurisdictions like Massachusetts, the only way we can reduce those costs is to make certain that every possible cent of the premium dollar goes back to the people for coverage. In the instance of the private insurance companies, it is only from 52 cents to 57 cents.

Hon. Mr. Allan: I wonder if the hon. member would just inform the House—I understand this is correct and I think he would confirm it—if it is that the fund naturally is administered by a department of government?

Mr. MacDonald: It is a department of government like, say, the workmen's compensation board, and it comes under a Minister.

Hon. Mr. Allan: It is done by civil servants.

Mr. MacDonald: The Department of Insurance comes under the Provincial Treasurer in the province of Saskatchewan and it includes car insurance coverage.

The final point, Mr. Speaker, that I want to make is that very often the argument is used—and I hope that as we get closer to a decision on compulsory insurance this ideological smear will be dropped—that a government car insurance plan is socialism and therefore bad. Now I say to the hon. member for St. Andrew and others that if this is socialism, then our workmen's compensation board is socialism.

Mr. Grossman: Does the hon. member want to make everything socialistic?

Mr. MacDonald: In the United States of America the workmen's compensation is handled by private insurance companies.

Mr. Child: In some states.

Mr. MacDonald: Agreed, in some states. The rates are much higher than ours. I think here in the province of Ontario we are proud of the workmen's compensation board and the protection it provides. In fact, almost every day the board has visitors from all across the world who are coming to study the kind of workmen's compensation that we set up.

All we are pleading for is the same kind of approach for car insurance. The hon. Prime Minister is correct: a board would render judgment in accordance with the Act. It removes the necessity of court action which dissipates a good proportion of the claim finally received. If this is socialism, I would say that we need more socialism, more of a kind that on other occasions Conservatives are very proud of.

All it is doing is providing the people with the coverage at cost, and reducing to a minimum the economic waste involved in the present situations where 30 cents of the premium dollar paid out in car insurance goes to maintain this uneconomic competition between insurance companies.

Mr. Child: Mr. Speaker, may I say a few words? This is a question that I have been very interested in, particularly since the young lad in my riding who was awarded the \$125,000 ended up with some \$5,000. I do not think any hon. member received more telephone calls on a particular subject than I did, after it received all of the publicity in the local papers.

I think that was one of the reasons I sent out a few thousand letters to my constituents, asking for an opinion on various subjects and, particularly this one.

The answers that came back either by telephone or letter would indicate that they were not too happy with the unsatisfied judgment fund as it was in 1957. On talking to many of the people that called me, I find that they were under a misapprehension which the hon. Prime Minister has mentioned today. All of them were of the opinion, had there been compulsory insurance—and there were literally dozens and dozens of people who called or wrote to me—the \$125,000 would have been paid to the lad, which, of course, is not the case. It has been pointed out that in Saskatchewan he would have received \$4,000 less than he received in the province of Ontario.

The people supporting the CCF party seem to hang their hat on Saskatchewan and the rates they pay. Well, when this subject came up in Hamilton, I managed to do a little research and I came up with some figures. I am sorry the hon. member was not in the House the other night, because I quoted some of them. I would like to say this, that the \$200 deductible obviously has a great deal to do with the local rate in the province of Saskatchewan, but other factors enter into it, and when one looks farther than just on the surface he will find that in Saskatchewan the rates are even more expensive, when he takes in all the factors, than they are at the present time in the province of Ontario with private enterprise.

Mr. MacDonald: Look at all the extra coverage they have, though.

Mr. Child: I would be very happy to go into these for the hon. gentleman.

Saskatchewan with its predominance of straight gravel roads—and these are some of the factors—has an accident rate of 7.6 per 100 vehicles, and Ontario has an accident rate of 11.6. Now Saskatchewan always has had the lowest percentage of accidents in Canada due to geographical and popula-

tion factors, Saskatchewan with its smaller and older cars and, by the way there is another factor—they do not have quite as modern cars as we do here, that is the socialist government. However, they do not enjoy the same benefits as we do as far as more luxury driving is concerned.

An hon. member: No Cadillacs.

Mr. Child: That is true. With the older model cars and therefore less costly repairs, the average cost per accident was \$131. Ontario had an average cost of \$200. For every 100 cars insured in Saskatchewan, therefore it would cost 7.6 times \$131, or \$995.60 to pay accident claims; for every 100 cars insured in Ontario it costs 11.6 times \$200, or \$2,320 to pay accident claims, almost 2.5 times as much per car no matter who sells the insurance. The charge in Ontario is 2.5 times as much as in Saskatchewan. The present rates in Ontario are less—in most cases substantially less—than the 2.5 times rate in Saskatchewan. In other words, Ontario rates right now are less under private enterprise than most drivers would have to pay if they were in the Saskatchewan scheme.

Here are some more factors for the hon. member. Here is an example that he might like to have. Take the insurance on a 1953-1955 Plymouth, Ford or Chevrolet, \$100,000 bodily injury, \$5,000 property damage collision, and plate glass, \$50 deductible, comprehensive, and that is a pleasure car not being driven by a driver under 25 years of age. The husband and wife would be the drivers.

In Saskatchewan this insurance costs \$51; in Toronto the insurance costs \$81; in Windsor it costs \$102; in London and Ottawa it costs \$94.36.

Now the Ontario rates vary by area because of the different accident rates in that particular locality.

In northeastern Ontario it costs \$136.88; in northwestern Ontario it costs \$83. If the Saskatchewan rate were applied to the Ontario situation it would cost \$127 in every case, so it is quite obvious that even under private enterprise we are doing much better than one can under a socialist government like they have in Saskatchewan.

Mr. MacDonald: Let us wipe out the hospital insurance plan.

Mr. Child: This comparison is for cars which do not qualify for no-accident discounts. In Saskatchewan the discount would

be \$4.40; in Ontario the discount ranges from \$15 to \$26 on this classification of vehicle.

Now here is another one. The rates in Saskatchewan, both compulsory and package policy, which my hon. friend was mentioning—this package policy in many cases is only the starting rate.

Minor traffic violations, such as failing to stop at a stop sign. There is a \$10 insurance surcharge in addition to normal fines. For two such offences the surcharge is \$25. If a car has two drivers, and if each has two violations in the year, the insurance cost in Saskatchewan becomes \$101 instead of \$51, the hon. member forgot to tell us that. Using the 2.5 times comparison, the indicated Ontario cost in such a case would be \$252.

Mr. MacDonald: That is how they are keeping their existing rates so low.

Mr. Child: That is true, but they are not doing so well. Their rates are substantially higher than ours by comparison.

The Saskatchewan rate provides no rebate for winter storage despite the fact that 40 per cent. to 50 per cent. of the Saskatchewan cars are laid up for 6 months each year. The hon. member did not tell us that either.

In a great many cases, therefore, the Saskatchewan cost of insurance is the cost for half the year only. Insurance companies give a rebate up to 45 per cent. of the premium for winter storage.

Similarly, the Saskatchewan rate gives no consideration to a person who buys a car in the summer or fall, because all Saskatchewan insurance runs from April 1 to March 31. A new purchaser buying insurance in November pays for a year's protection, but gets only 4 months' protection—from December 1 to March 31. There is a 50 per cent. reduction.

Interjections by hon. members.

Mr. MacDonald: Where did the hon. member get his figures?

Mr. Child: A little research. The hon. member should do some of it. And it did not come from socialists. The Saskatchewan system makes no recognition of the different exposures to accident in different cases. The only difference in rates are in the compulsory insurance where a standard length car pays \$25 and a short English car pays \$20 and the Chrysler or Cadillac pays \$30. Apparently they must have Cadillacs there too.

Aside from that there is no accident discount on the package policy at all. Drivers pay the same, except for traffic violations and surcharges. Outlined in point 3, the farmer who drives his car one week on a gravel road in summer and puts it in storage for the winter pays for the accident of the city business cars.

Mr. Speaker, there are a number of other articles here that could be expounded as far as the insurance is concerned, but I think it all boils down to this:

In spite of what all the criticism we have had I find this, that if one takes the time, or if he could take the time, to spend an hour or so with each of his constituents or a group of them, it is not too difficult to convince them what we have in the province of Ontario is a pretty good coverage.

I am not suggesting for a minute that it is perfect. As a matter of fact, I would like to mention one case to the hon. Minister. It concerns an accident which also happened just outside of Hamilton. I do not know whether one would call it a hit-and-run accident. I know the car did not run, but the man who hit the car did run.

In that particular case we find that the owner of the damaged passenger car did not get any compensation at all, and cannot get any unless the driver is found within a year. I suggest there is a loophole there that we might consider closing.

In other words, up until the time of the accident, the driver of the damaged car, whom I know personally, was under the opinion that he could claim for such a loss under the unsatisfied judgment fund.

Now we find that, because the person at fault was driving a stolen car, this cannot be done. The driver of the stolen car jumped over the high level bridge at Hamilton and ran away, and therefore they were unable to lay a charge. Therefore, we find out that this particular owner of the damaged car is uncompensated at the present time, and he had to buy himself a new car because his original car was completely demolished.

There may be deficiencies in the unsatisfied judgment fund and I do not think anybody at the present time has suggested that the fund situation is utopian. That is why we have amendments, and that is why we have brought it up to \$10,000 and \$20,000 as we have this time, and I would say that this controversy that took place in Hamilton occurred last year prior to the 10 and 20 addition which came into effect in 1958.

I would also say that a large portion of publicity in the case of the injured Hamilton lad was undue and unnecessary, and if the lawyers had used the half-ounce brains they were born with, why would they have gone after \$125,000 when they knew in the first place they could get only \$5,000 under the fund? They knew, in the second place, that the people involved could not possibly have paid it out anyway, because of their circumstances. This was unnecessary—

Hon. Mr. Frost: That is the trouble with lawyers, they do those sort of things.

Mr. Child: I am afraid it is. I have come to the conclusion that just because one happens to be a lawyer does not necessarily mean that he is somebody brilliant. It was an error, and it was unfortunate.

Mr. Speaker, although I realize it is closing time, I would like to say this in conclusion:

I am very much in favour of the present plan that we have. I think it can be improved and I think possibly improvements will be made.

But in the meantime, I certainly subscribe to those who spoke before me that consideration and further study might be made on the compulsory insurance plan.

If at some time we can prove that we can do a better job with compulsory insurance than we have with the unsatisfied judgment fund, then, and only then, should we consider introducing it into the province.

Mr. Speaker: It being 6.00 of the clock, p.m., I do now leave the chair.

Hon. Mr. Frost: There is another resolution here by the hon. member for Bruce (Mr. Whicher), which is not in the same terms, but is somewhat similar. Are there others who wish to speak on that motion of the hon. member for Oshawa?

Mr. J. Root (Wellington-Dufferin): There are just one or two suggestions I wanted to make.

Hon. Mr. Frost: It might be that the hon. member could adjourn the debate, and go on with the hon. member for Bruce's motion after we adjourn the debate.

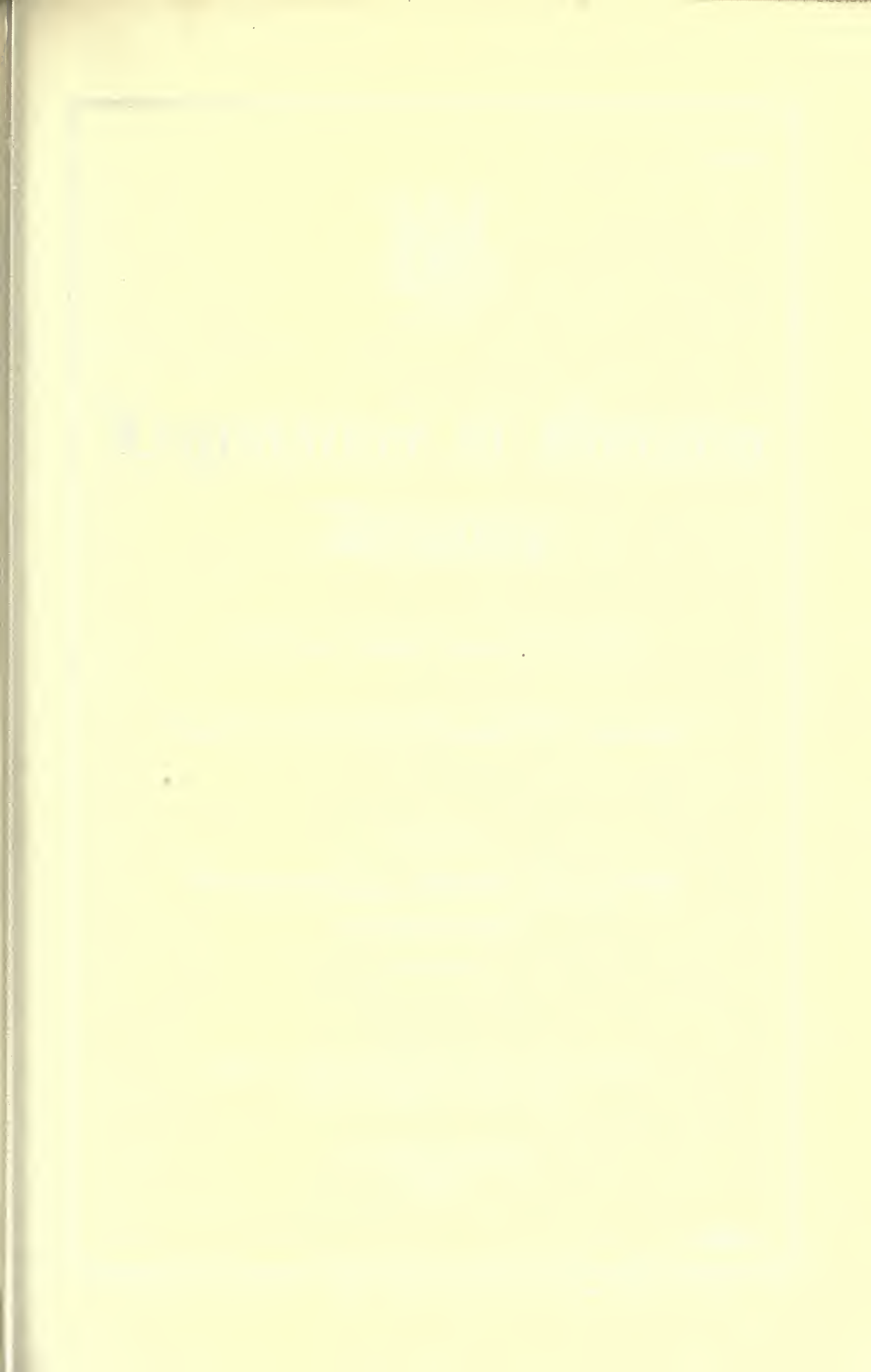
Hon. Mr. Roberts: Mr. Speaker I move the adjournment of the debate.

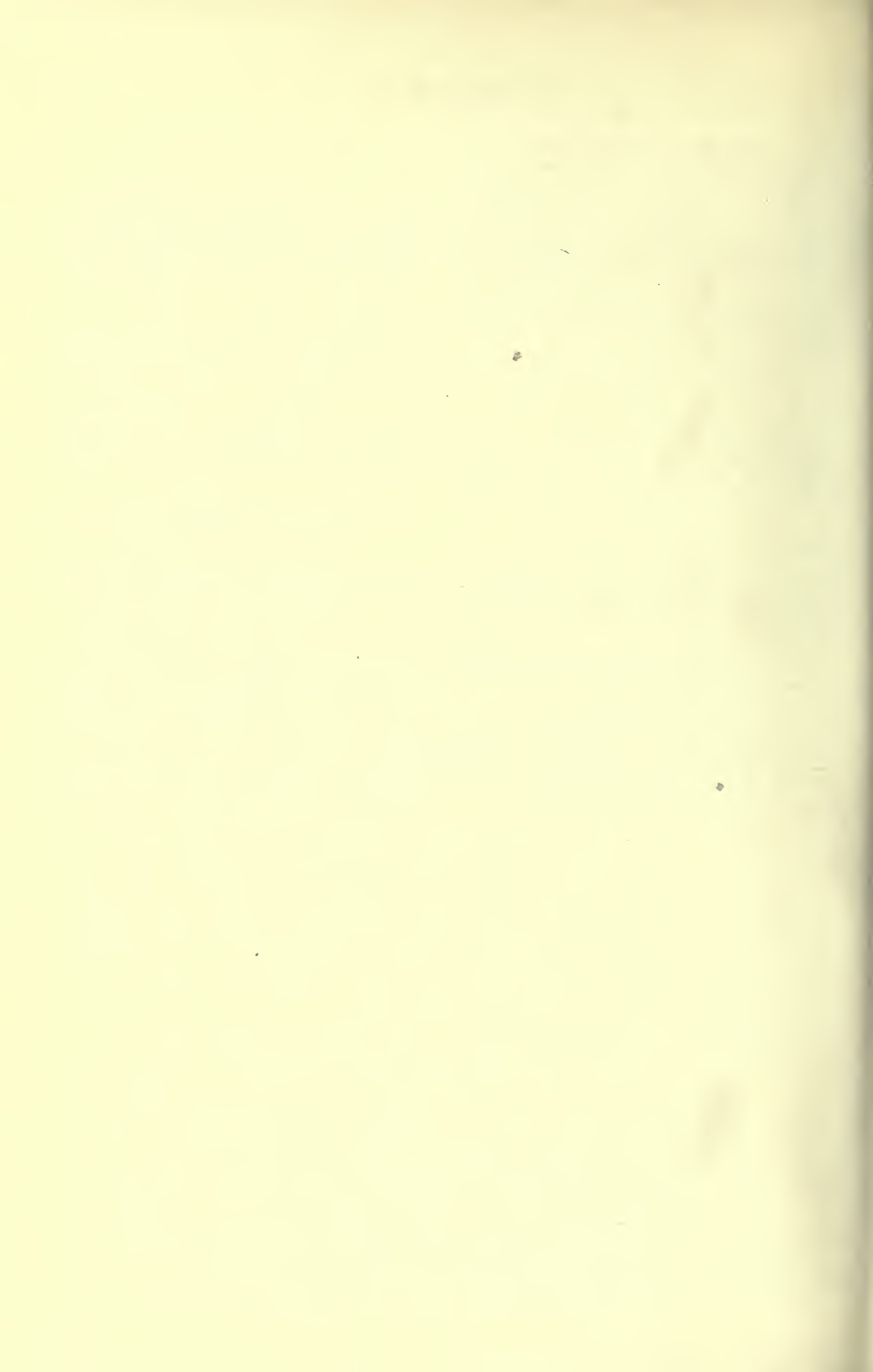
Mr. Thomas: If the hon. Prime Minister wishes to put the question now, it is all right with me.

Hon. Mr. Frost: Well, I did not intend to put the question, quite frankly.

Mr. Speaker, following the adjournment I would call motion No. 3—the motion standing in the name of the hon. member for Bruce.

It being 6.00 of the clock, p.m., the House took recess.







ONTARIO

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OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Wednesday, March 26, 1958

Evening Session

Speaker: Honourable The Rev. A. W. Downer

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, MARCH 26, 1958

8 O'CLOCK P.M.

The House resumed.

Clerk of the House: Notice of Motion No. 3 standing in the name of Mr. R. Whicher.
Resolution—

That, in the opinion of this House, each and every automobile owner in the province of Ontario should be required annually to obtain public liability and property insurance before a licence is issued.

Mr. R. Whicher (Bruce): Mr. Speaker, in rising to speak on this resolution in my name, may I say that I believe a great deal of it has been covered this afternoon. It is not my desire or wish to take too much time with it, but on the other hand I tried to keep myself in check this afternoon because I have two or three ideas that I assure you are given sincerely.

I really do believe that every automobile owner in the province of Ontario should be required to be insured and I give the following reasons:

I believe that now, after January 1, 1959, it will be the only place where a man can have a financial catastrophe in his life that is not his own fault. For example, if my house should burn down, or any of the homes of the hon. members in this House, and we have no insurance on it, it is to a large extent our own fault, because the only reason we have this great loss is because we did not take the time and pay the small premium that it takes to buy insurance on that house.

On January 1, 1959, we are going to be protected not only if we are in the hospital for a week or 2 weeks, but on the other hand, if we are there for 5 or 10 years. A catastrophic calamity that in other days could have happened to any of us can no longer occur. If I should drive down the street in my car and I should run over some unfortunate individual through an accident and I should be sued for a considerable sum of money, it is my own fault if I have no automobile insurance.

There is one place, in my sincere belief, where a catastrophe can still strike at a person in this province, and that is this. What

happens to the wife of a young doctor, 24 or 25 years of age, who has 3 children, when he walks down the street one night and somebody kills him, and the driver has no insurance?

I suggest to you, Mr. Speaker, and to the House most humbly, that this is something that was overlooked this afternoon because the rates, the \$10,000, \$20,000, and \$5,000 coverages that we were talking about, are simply not enough. I suggest that if it is within the realm of reason that these rates could be increased, they definitely should be. Last year they were increased from 5 and 10, and this year they are 10 and 20, and there is no reason in the world, in my opinion, why they cannot be increased still further.

In furthering my argument, why I believe that compulsory insurance is necessary in this province, may I say firstly to our hon. friends on the other side of the House, that our small group here agree most heartily with them. We should not have compulsory insurance through the government, for this reason:

It may work in Saskatchewan. I do not know anything about it there, but I do know that in the province of Ontario, if we had state automobile insurance, as one hon. member mentioned this afternoon, if somebody got into difficulty they would be after the hon. member of that particular riding, trying to put every form of pressure on that hon. member to get their licence back again, so that they could keep on driving.

We do not want anything like that at all. I think that all of us, as legislators, quite conscientiously will say that there is a certain amount of red tape in government. Anybody in government or in the Opposition have many things that are hard to get around, because people are more demanding every day.

If we had government automobile insurance in this province, it would be the same in that line of business as it would be in others. The pressures would be put on us, and we do not want any pressures like that at all.

On the other hand, I say to the hon. members quite sincerely that we should have compulsory automobile insurance by people

who are qualified to sell insurance and who understand the insurance business. I refer to the automobile insurance companies of this province.

I say that it should be handled through automobile insurance companies for several reasons. Firstly, they are in the business and, as such, are qualified to sell and to judge to whom they should sell any policy for any given amount.

Let us not be foolish about it. They are in the business to make money, and they will sell to anybody in the province of Ontario who is a worthy risk. If he is not a worthy risk, they will not sell to him. It is just as simple as that.

With the number of insurance companies that we have in this province, anybody who is worthy of having a policy is bound to be sold, and those people to whom the insurance companies will not sell have no right to be on the road whatsoever.

I believe that the hon. Prime Minister (Mr. Frost) in his very sincere attempt to allow all hon. members in this House to speak on this subject that is on the lips of many people in this province, overlooked the fact that it is not at all necessary that everybody who wants to drive a car in this province should have the opportunity to do so. After all, an automobile on the highways of Ontario, or any other province today, in the hands of a man who is not a fit and capable driver, is a murderous weapon. It has just a murderous potential as a man who walks into a bank with a gun.

It is true that an unfit driver may not kill somebody today, but if he is not a fit and capable driver, sooner or later he is either going to kill somebody on a busy thoroughfare like the Queen Elizabeth Way, or he is going to cause some type of property damage.

I suggest to you, Mr. Speaker, and to the hon. members of this House, that the people who are qualified to keep the poor drivers off the highways of this province are the insurance companies.

Hon. members and I cannot keep them off as legislators in this House, that is certain, because if somebody were denied a licence, he would immediately run to me, or particularly to hon. members on the government side of the House, and would exert all sorts of pressure in an attempt to get that licence.

Let us look at these insurance companies, who firstly are qualified to know who is a fit and proper driver. Remember, they are in

the business to make money, and want to sell as many policies as they can.

I suggest that they will sell a policy to anyone who is a good driver. The very, very poor driver will not get the insurance policy, and consequently, would not get the licence, and I suggest particularly to hon. gentlemen like the hon. Attorney-General (Mr. Roberts) who is very sincerely interested in highway safety, that those are the people we want off the highways in this province.

Hon. A. K. Roberts (Attorney-General): Is the hon. member suggesting that insurance people are the best to handle the matter?

Mr. D. C. MacDonald (York South): That is what he said.

Hon. L. M. Frost (Prime Minister): That is what we would have to do. That is the problem of that situation.

Mr. Whicher: Yes, I agree and I am suggesting that insurance people, through their wealth of information, are the ones to do it. I think they would sell practically everybody the insurance to start with, and then, giving the hon. Minister of Highways (Mr. Allan) all the credit due to him, in the point system that he has suggested to this House during this session, that if a man has so many points against him through careless driving or speeding too many times, then obviously the insurance companies would know about this.

When there were so many points, when it got up to the maximum number of bad marks, whether it be, say, 10 or 25, the insurance companies would then have the privilege and the responsibility of cancelling that insurance policy and then the licence would be revoked.

Hon. Mr. Frost: May I ask the hon. member this. On that point, and I acknowledge my hon. friend's sincerity in bringing it up, can we delegate to insurance companies the right to bar a citizen from using the roads? Now that is what the effect of that is.

Mr. Whicher: Mr. Speaker, it is not the right to bar a citizen off the road, it is their right to bar an irresponsible driver from driving on the road. They will not bar that man until he has a certain number of bad points which this government has put through, and to which we agree. If they will not bar that man until he has a certain number of black points against him, under the hon. Minister of Highway's count, because he is brought in, why then, they are not going to bar anybody.

Hon. Mr. Frost: May I point out this to my hon. friend. After all, where we get to a point where there are automatic penalties, these are very dangerous things. For instance that is one of the arguments against the death penalty, an automatic penalty that is imposed whether or no.

There are many arguments against that, and I doubt very much that we could extend an automatic disqualification. There are conditions that may alter that.

Mr. Whicher: I agree very much with the hon. Prime Minister, but I suggest that people who are in the business will know if, for example, a fellow has had an accident. There are a great number of accidents that are really accidents. They are really not anybody's fault. They just seem to happen, and I suggest to the hon. Prime Minister that the insurance companies of this province are in the position to judge whether it is an accident, or whether it was the result of careless driving, or whether several accidents occurred as a result of careless driving.

Hon. Mr. Roberts: What the hon. member is really saying is this, that the insurance company has the right to refuse to insure a person whom they consider unworthy of insurance, and that it follows therefore, logically, that without insurance one cannot drive, is that what he means?

Mr. Whicher: Yes, but the hon. Attorney-General has put one word in my mouth. I did not say that any one insurance company could cancel the insurance. I say that if there are 150 or whatever number—200 plus the hon. member tells me—if there are 200 plus companies engaged in the automobile insurance business in the province of Ontario, just because one cancels the policy or says that the driver is a poor risk, this is by no means final. These people are in a very competitive business and if a man really deserves the opportunity to drive and the other 199 say that he—

An hon. member: It does not work that way.

Hon. Mr. Frost: No.

Mr. Whicher: Why not?

Hon. Mr. Frost: No company will take the bad risk, the hon. member understands. Once a driver is blacklisted in one place, he would be through.

Mr. Whicher: Mr. Speaker, the hon. Prime Minister hit the nail right on the head.

We do not want a bad risk on the highways. What I am suggesting is that if he has just made a little error, he is really a good risk, and if he is a good risk, some company is going to take it. The bad risks on the highways of this province must be eliminated. It is the only way we are going to cut down on the accident rate of this province.

Let us look at the present situation—the way it is now. Is it fair that the many people who have automobile insurance in this province, who pay maybe \$50, \$60 or \$75 a year, to cover themselves completely, should then be forced to put another \$2 in the pot themselves, which would make it, if it was a \$50 policy, \$52, when the other fellow who has no insurance puts only \$5 in the pot? It just does not add up at all.

With the \$5 that has been put in, why, they really do not have any insurance. Many of the 20 per cent. of the drivers, who got their licence this year by depositing an extra \$5 in the treasury of Ontario, feel that they are insured but they are not.

Hon. Mr. Frost: There is no reason for them to feel that way. It is perfectly plain that they are not.

Mr. Whicher: I agree. I am only stating a fact. They feel that they are insured, but in reality they are not covered at all, and if they go out and have an accident and the charge against them is \$10,000, they have to make arrangements to pay that \$10,000 back. They are really not insured at all.

Hon. Mr. Frost: That is right. They are not. They are not supposed to be.

Mr. Whicher: To carry on my argument about the insurance companies, this is the way I believe it should be worked. I believe it should be definitely put through private enterprise, that before a man can get a licence he should present a policy to the licence bureau, covering him for some period, whatever it might be, 3 or 4 months or a year—

Hon. Mr. Roberts: Would the hon. member let me ask a question? What provision would he make to prevent the insurance company cancelling the licence the day after it was issued?

Mr. Whicher: I would say to the hon. Attorney-General that I have put a lot of thought into this. This is what I see. When the insurance runs out, which is the same thing as a cancellation, presuming it ran out on July 1 and our licences, of course, come

due, say on the first of January, that every day, supposing it was on July 15 and that policy has not been renewed—a large company might have 100 policies in a day that were not renewed—they would send a list immediately into The Department of Transport. This list would state that this policy had not been renewed, and immediately The Department of Transport would take action and the licence would be cancelled. Now it is just as simple as that.

Banks do exactly the same thing. These insurance companies are big and efficient organizations, and are quite capable of looking after such things as the hon. member has mentioned. When a policy is not renewed or has been cancelled, they must act immediately—not tomorrow or the next day or next week. When it is cancelled on July 15, the report must go in at the end of the business on July 15, with the number of policies that have been cancelled, and immediately The Department of Transport could send out registered letters saying such-and-such a permit has been cancelled.

Mr. Speaker, I feel honestly and most sincerely that this is what is wanted by the people of the province of Ontario. It may be true that the government is a little bit afraid of this. I do not say that disparagingly, I assure hon. members. I am not trying to throw a challenge to them. I know that it is a serious thing. But if a young man, who is maybe a young lawyer, who may earn a lot of money over the next 15 or 20 years, is killed, it is not fair to his wife that all she could possibly get would be the sum of \$10,000.

I want to talk for a minute about the rates—

Hon. Mr. Frost: Might I ask the hon. member a question? What limits would he have in the coverage in a policy? The premium depends upon that.

Mr. Whicher: Right now, I am going to talk about limits. Now the hon. Prime Minister this afternoon, and many of the other hon. members too, said that we could not increase these limits because the cost would immediately stretch, and would go away up. I ask any hon. member in this House, what has been his experience? I remember 10 years ago when on my own car I used to have 5, 10 and 1. That is what it was. \$5,000 for any individual accident; \$10,000 for any number of people, and \$1,000 property damage.

Today I do not know exactly what I carry, but I suggest that it will be something the same that hon. members carry—practically

unlimited coverage. It would be at least \$100,000 for any individual accident, \$200,000 for any group of people, and \$5,000 at least for property damage, and the cost is very, very little.

Hon. Mr. Frost: All right, supposing we do that. Supposing everybody is compelled to carry insurance of that sort, then how do we settle the claims?

Mr. Whicher: I know that is a big deal. In answering that question, I want to ask this—

Hon. Mr. Roberts: The hon. member says it is very little, but he stops there. I know what I pay for my premium. I would not call it very little.

Mr. Whicher: Just a minute now. I did not say that we pay very little. I said that the difference between a 10, 20, 5 coverage, and 100, 200 and 5 coverage is very little. I would suggest that it would be less than \$6 or \$7. Would I be right to—

Mr. A. H. Cowling (High Park): \$10, roughly.

Mr. Whicher: All right, this is from an insurance man. \$10, roughly, between a 10, 20, 5 coverage, and 100, 200, 5 coverage. So, in other words, the cost is—

Hon. Mr. Frost: May I point out to my hon. friend that New York state has a compulsory coverage of 10 and 20. Now that is exactly the same as our unsatisfied judgment fund. Actually speaking, if we impose 10 and 20 on our people, no citizen would receive any more protection than he is getting now on his \$1 on the 10 and 20 coverage in our unsatisfied judgment fund.

Mr. Whicher: Mr. Speaker, we are not talking about the dollar coverage at the present time. We are talking about a fellow with a family and a future ahead of him, and of the fellow's wife if he gets killed. That is what I am talking about. What is going to happen to the wife? That is what I want to know.

An hon. member, who is in the insurance business, has said that the difference in coverage between \$10,000 for an individual person, \$20,000 for any group, and \$5,000 property damage—the difference between that policy and \$100,000 for one person, \$200,000 for any number, and \$5,000 for property damage—will be less than \$10 added to the premium.

Hon. Mr. Frost: Subject to this, remember, that insurance companies now, to get coverage of that sort, pick and choose the very best risks.

Now if we imposed that across the board, what is the rate going to be? It is going to be unbelievable.

Mr. Whicher: I am sorry, I disagree entirely, because I suggest just taking this group of hon. members present, there probably is not one who could not get that coverage. They will sell the coverage to anybody in the province who is a good risk and who is a good driver. If one is not a good driver, he should not be on the highways. It is just as simple as that.

Hon. Mr. Roberts: I had better mention one point. I am sure my hon. friend could not put those figures in for all classes. I could just say this, that I pay \$120 or \$125 for my premium which has something the same as the hon. member describes. Also it does allow my two older sons, both of whom have taken proper lessons and so forth, to drive occasionally. Now it costs me \$125 for that.

Mr. Whicher: Well, it costs the same thing all over the place. If we have the normal—

Hon. Mr. Roberts: He says it does not cost very much. I say that is a fair amount of money.

Mr. Cowling: Just to support what the hon. Attorney-General said, remember, I said it was about roughly on a select first-class risk, between \$20,000 and \$100,000. That is about what it is.

Hon. Mr. Roberts: Well, I have had no accidents whatever—touch wood—in all the time I have been driving since I have been covered there. It is costing me \$125 a year. If the hon. member thinks that is very little, perhaps it is.

Mr. Whicher: I do not think that what the hon. Attorney-General pays now has anything to do with whatsoever. We are talking about the possibility of making everyone have an insurance policy before he can get a licence or permit in this province. What one pays now has nothing whatsoever to do with it.

I suggest this, that if, through having compulsory insurance, we knock the very poor drivers off the road—well, they should not be on it anyway. We have to be brutal about this thing. If we knock those poor drivers off the road, then the rates, if anything,

should be less, not more, because the only people on the road will be those fully qualified to drive.

By having a rate such as I suggest, and I could come down a little bit, my proposition is this. We should have rates of \$50,000, \$100,000 and \$5,000. The hon. Prime Minister is asking what happens when there is an accident? Is the judge going to be prejudiced? He will know that everybody is covered for at least \$50,000.

Now, my question to the hon. Attorney-General is this. Supposing that he had a terrible accident, which I hope never happens to him or myself. We have a bad accident and he and I go up before a judge right today. Does he not think that the judge or the jury will give the people, whom we unfortunately had the accident with, every single dollar that they are entitled to?

I suggest they would, and that the hon. Attorney-General and I would have to pay just as much now as we would if we had compulsory insurance, because the truth of it is this: For people who have automobile insurance today in Ontario, the rates of coverage have been going up and up, and there are far more policies in Ontario today that are \$50,000 and \$100,000 than there were 5 to 10 years ago.

People are insurance-conscious today. Inasmuch as the difference in cost is so very, very little between the low coverage and the high coverage, a lot of people already take the high coverage. Is that correct? Therefore—

Hon. Mr. Roberts: If my hon. friend does not mind me interrupting—

Mr. Whicher: No. I do not mind.

Hon. Mr. Roberts: The Speaker permits me to, in this type of debate, but I quite agree with the general idea that is being suggested there, that one should obtain the widest and the highest coverage possible. I am afraid that any experience that I have had on the cost makes me feel that we could not impose that on the 2 million people here without finding that the cost was too great.

Now, if it were possible to do it, I would think it would be a good thing to do. But there are different classifications. I would like to say this. I have said this publicly on a number of occasions.

Taking the rates as I find them in this metropolitan area, and the general proper coverage that I think everybody should have—not just the coverage on the automobile but the type of coverage protecting oneself

against the other person in case he does not have enough coverage, that type, the hospitalization and the rest of it—the cost would be high.

I think that really, if we want to face this situation realistically and be sure that nobody is going to get hurt, one ought to be spending practically 50 cents a day per person on that type of protection. Fifty cents a day to get the complete coverage that we are talking about.

I wish it could be done. I think it would be wonderful if it could be done. But does the hon. member think we could impose any such figure as that for complete coverage?

Mr. Whicher: Mr. Speaker, I think honestly that the hon. Attorney-General is going a little too far in this cost.

I suggest this. He has said that it costs him \$125 a year for the coverage that he now carries. If there were compulsory automobile insurance in this province, and the people who are not fit to drive on these highways were put off the highways, which they should be in the first place, then the insurance costs, if anything, would be a little lower than they now are.

What keeps our insurance so high is the fact that there are people who go out and have accidents, who perhaps are drinking drivers and that sort of thing, and who go down the road at 100 miles an hour. They should not be on the roads at all. By having a compulsory insurance scheme such as I am suggesting, and leaving it in the hands of the insurance companies, the bad drivers would be eliminated. The insurance companies were in the business first. They want to sell insurance to every citizen in the province of Ontario who is fit to drive. But secondly, they will not sell to anybody who is not fit to drive.

Therefore, firstly, we are going to have good drivers on the road, and in the second place, the poor drivers are going to be put back in their homes where they deserve to be. That is the thing that we most certainly need. When the hon. Attorney-General suggests that the cost might double or something like that, he is strictly tossing a kite in the air. If anything, when we get the poor drivers off the road, the cost will be even less.

The hon. Prime Minister this afternoon said that if everyone who had a car were insured, for example, at the rate of \$50,000, there would be a tendency on the part of the jury to be very, very lenient with the family of the person who happened to be killed or

maimed, or something like that I say this most sincerely—

Hon. Mr. Roberts: Big damages. The cost would go up.

Mr. Whicher: I say, Mr. Speaker, that there would be no more tendency on the part of the jury to be lenient with the person who has had the accident, than there is at the present time, because the jury knows full well if any hon. member in this House happens to be involved in an accident, that we are insured for at least \$50,000. There is no doubt about it at all.

If we took a caucus of all the hon. members in this House, I would say that everybody had that much insurance, and a great percentage of the people who carry insurance in this province have at least that much. Therefore what is the difference? Let us make it compulsory. Let us protect the poor mother with her 2 or 3 children if her husband happens to be killed.

Let us protect the person who becomes blind for the rest of his life, and let us put it through the system of private enterprise, which this government and I believe in, even though some of our good hon. friends, in their sincerity, believe in a socialistic form of government to a large extent. The hon. government members and I do not believe in it.

Let us put compulsory insurance in the spot where it belongs, with the insurance companies of the province of Ontario. If we do that, then we will eliminate the only financial catastrophe that can happen to any individual in this province through no fault of his own.

Hon. Mr. Roberts: May I just ask the hon. member this question, too, on that? Has he given any consideration, in his preparation of this proposal, to what he thinks, on an average, would be the maximum premium or cost per person taking out a policy? If he has, then perhaps he could get some insurance companies to do a real test, to see what sort of coverage they could give for that.

Mr. Whicher: Well, I suggest this to the hon. Attorney-General. He used the figure of \$125 a year. I would suggest that the cost should certainly not be any more.

Hon. Mr. Roberts: People in this province with \$125 a year premiums? I think that—

Mr. Whicher: I do not have to pay \$125 a year premium.

Mr. J. F. Edwards (Perth): Where does the hon. member buy his?

Mr. Whicher: I buy it in the same place as the hon. member for Perth. He buys it in a rural area, and I buy mine in a rural area, and I am not exactly sure what my insurance costs me. But I am well covered, I hope. I think it costs me about \$58 a year, and that includes collision, so there is no reason why my policy or his will go up.

Hon. Mr. Roberts: Let us take \$60 then. Does he feel that the motoring public, the two million or so, will take that much coverage and pay that much? Does he think that is a feasible thing? I say it is not. I am just asking the hon. member's opinion on it.

Mr. Whicher: Mr. Speaker, the hon. Attorney-General is suggesting that everybody should pay \$60. I do not pay \$60. As a matter of fact I probably pay about \$30 or \$35 for the coverage I am suggesting.

Hon. W. Griesinger (Minister of Public Works): How much does he pay?

Mr. Whicher: I am including collision in the \$60.

Hon. Mr. Griesinger: How much does the hon. member pay?

Mr. Whicher: Well, I would pay approximately \$35 a year, for \$100,000 worth of coverage and \$200,000 for a big accident.

Hon. Mr. Griesinger: Does he know if that is right?

Mr. Whicher: Yes, I would say that within a few dollars I am correct in that.

An hon. member: That is for rural rates.

Mr. C. E. Janes (Lambton East): I might say, Mr. Speaker, I pay about \$90 for \$100,000, \$200,000 and \$100,000, and that covers hospitalization also, and collision. It covers everything.

Mr. Whicher: Well, I am not suggesting in my remarks this evening that we should force an individual in a car to cover hospitalization or collision, because that is one's own business. If a person drives his car into a telephone pole and destroys the car, it is his own fault if he does not have the insurance.

It is like the house burning down. If one does not have insurance on his house, it is his own fault.

The point is this, that it is not the widow's fault when her husband is killed by somebody who does not have a nickel's worth of insurance, and she has to practically beg to collect \$10,000 through the unsatisfied judgment fund.

I want to mention the unsatisfied judgment fund. I agree wholeheartedly with the hon. Minister of Highways that it is absolutely necessary, besides having compulsory automobile insurance, to have an unsatisfied judgment fund. The hon. Minister of Highways was not quite fair this afternoon when he said that in New York they did not have an unsatisfied judgment fund. That is true, but they are going to have one right away.

We must have an unsatisfied judgment fund besides compulsory automobile insurance, because, as he mentioned, there are hit-and-run drivers. Of course we have to have an unsatisfied judgment fund and that is not going to cost a lot of money, because really, there are not a lot of hit-and-run drivers who are not caught, and secondly, who get away with killing people without finally having to pay up some way, shape or form. I suggest that an unsatisfied judgment fund would look after the tourists who come into this province, who are not insured.

Firstly, a lot of our tourists come from New York state. They are all covered. Secondly, 80 per cent. of all the people in the United States are covered before they arrive here. The only unsatisfied judgment that we would have to have, would be to look after the 20 per cent. of American tourists, or 20 per cent. of the people from outside provinces, other than our own, and the hit-and-run drivers of this province. I would suggest that the amount of money, which we would have to put in this fund, would be very limited indeed.

Mr. Speaker, I do not want you to think that I am just trying to put a barb at the government. I am not. I sincerely believe that in view of the financial catastrophe that a man can have in the province of Ontario today, that is not his own fault, the only fair thing is to insist that we have compulsory automobile insurance.

Let us take these people—we can be brutal and call them murderers—who drive around this province and who are not good drivers and are not qualified, and put them off the highways. Let us give the people, who are walking on our highways, some financial protection against them, so that if anything happens to any of us, our widows are going to be looked after.

Mr. Speaker: Has the hon. member for Bruce a seconder for his motion?

Mr. Whicher: Yes, the hon. leader of the Opposition (Mr. Oliver).

Mr. Speaker: Mr. R. Whicher moves, seconded by Mr. F. R. Oliver,

That, in the opinion of this House, each and every automobile owner in the province of Ontario should be required annually to obtain public liability and property damage insurance before a licence is issued.

Hon. J. N. Allan (Minister of Highways): Mr. Speaker, I appreciate very greatly the remarks of the hon. member for Bruce. May I say at first, that it is surprising how easily all these problems can be solved by those who have not had the difficulty of endeavouring to solve them.

My experience in The Department of Highways and in The Department of Transport brings so many things to my attention which influence the matter of compulsory insurance, and the actions of insurance companies, that I find it to be one of the most difficult problems that I have ever undertaken to come up with a plan that can be generally satisfactory.

It is for that reason, as I stated this afternoon, that we feel it is absolutely necessary to have the experience that we will have this year as a result of our new plan which will enable us to know how many persons are insured and how many persons are not insured.

Mr. Whicher: Did the hon. Minister say that there are approximately 80 per cent. now who are covered?

Hon. Mr. Allan: No, I did not say that.

Mr. Whicher: Well, if he did not say that, it was some other expert over there who did. The hon. Minister knows perfectly well how many are insured and how many are not.

Hon. Mr. Allan: I do not. That is absolutely incorrect.

Mr. Whicher: Well, then he can find out from the insurance companies.

Hon. Mr. Allan: We will find out, but no one knows what percentage of the people in the province of Ontario are insured at the present time.

Mr. Whicher: The hon. Minister should get another department over there and find out.

Hon. Mr. Allan: We will.

Mr. Whicher: If he does not know that after all these years, then he does not know very much.

Hon. Mr. Frost: Let the hon. member not be silly. We will know that at the end of this year. That is a silly statement.

Hon. Mr. Allan: The hon. member should not be foolish.

Mr. Whicher: Well, let the hon. Minister ask the hon. member down there. He may not tell us, but he knows.

Hon. Mr. Allan: He does not know. This is a statement of fact.

Mr. A. J. Child (Wentworth): How many does the hon. member think there are?

Mr. Whicher: I would say 80 per cent.

Hon. Mr. Allan: Well, of course, if he is an expert without having looked at any figures, or having made any study, we should have asked him instead of making the study.

Mr. Whicher: I am not an expert. Mr. Speaker, I am only quoting hon. members on the government side of the House who spoke this afternoon.

Hon. Mr. Allan: Mr. Speaker, I want to deal with some of the statements made by the hon. member for Bruce. May I say at first that his suggestion, that we should have compulsory insurance with much greater limits of liability, would create a condition just the reverse of what he would hope. It has been our effort over the last few years to endeavour to get as many persons insured as possible.

I note the hon. member's remarks when he said the competition between insurance companies would insure that everyone who was fit to drive would have insurance. I could bring to the attention of the hon. member the various policies of different insurance companies. Certain insurance companies are anxious to insure only the cream of the crop. The rates are not all the same.

Some insurance companies have a rate that is less than other insurance companies, and they hope to make that good business by selecting very carefully those who may be insured.

Mr. Nixon: Non-drinkers.

Hon. Mr. Allan: Well, we have one of those in my riding, I am not sure if any of the rest of the hon. members have any of those companies in their ridings. The hon. member can see that the natural thing for the insurance company is to pick those persons to insure who will be the least risk.

There are over 2.2 million drivers in the province of Ontario, and we are anxious to have those 2.2 million drivers insured. I think the hon. member—

Hon. Mr. Frost: We are all insured now, counting the unsatisfied judgment fund.

Hon. Mr. Allan: That is right.

Mr. Whicher: The hon. Prime Minister admitted a few minutes ago every driver is not insured under the fund, and that if such a driver hits somebody, he has to put every dollar up himself.

Hon. Mr. Frost: Oh no, I say that they are all insured. They are not insured for protection for themselves, but they are all insured for protection for damages up to a limit that may cost anybody—

Mr. Whicher: When one buys insurance he buys it to protect himself too, and under the fund he is not insured.

Hon. Mr. Frost: I know, but they can go and buy that, but they do not.

Mr. Whicher: I know, but they are not insured.

Hon. Mr. Allan: Our experience, and this is based definitely upon our experience with the insurance companies, is this. Our great task has been to endeavour to get the insurance companies to insure more drivers. It is very easy to rise in this House and to say that only those persons who are good drivers should be on the road. Every hon. member of this House reads the papers. He notices the number of persons who are charged for various violations who have no licence. Some who have been charged 3 times. I think I have noticed them charged 5 times for driving without a licence, and naturally these people are without insurance.

If we were to raise the liability limits to a high rate, we are going to make it just so much more difficult for a great many of the drivers today to obtain insurance.

Mr. Whicher: If they have the money and are good drivers they will get the policy.

Hon. Mr. Allan: No. I think the reasonable hon. members will agree with me that, if they place themselves in the position of the insurance company, they would insure someone with limits of 10, 20 and 5, whom they would not insure for 100, 200 and 50.

Now that is found by our department to be a fact learned through our experience.

Mr. Whicher: May I ask the hon. Minister if he was ever turned down?

Hon. Mr. Allan: No.

Mr. Whicher: I was not either, and I suggest that nobody has been.

Hon. Mr. Frost: What does that have to do with the problem?

Hon. Mr. Allan: If the hon. member had been sitting in the seat that I have been sitting in, and had seen the number of persons who have had some difficulty and must get insurance, he would appreciate the problem. Actually, a great many persons are required under The Highway Traffic Act to have insurance before we will issue them licences. If the hon. member had seen the great difficulty that those men have in obtaining a minimum policy of 10, 20 and 5, he would then realize that if we are going to get the people in this province insured, we cannot start at 50 and 100 and 50 property damage or something like that.

Mr. Whicher: May I ask the hon. Minister why they have that trouble in getting the coverage of 5, 10 and 1, 10, 20 and 5 or whatever it is? Why do they have that trouble?

Hon. Mr. Frost: Well, they may be 70 years of age or they may have some physical defect. There are 101 reasons.

Hon. Mr. Allan: Many people must have insurance before they are permitted to have a driver's licence. They may have had some convictions for careless driving. They may have had an accident as an uninsured driver, and have not paid their claims, and be driving because of the instalments they are paying to the unsatisfied judgment fund. There are many, many reasons.

One of the hon. members in the House came to me yesterday on behalf of a professional truck driver who is having difficulty getting insurance for 10, 20 and 5, and is required very often to go to the assigned risk.

The hon. member knows what the assigned risk is. Because of the various policies of selectivity of the different companies, a man may be left high and dry. Some company that is particularly selective may have declined to issue a policy. That person is forced to go to the assigned risk plan, and the premium in the assigned risk plan may be \$100 for 5, 10 and 20.

Mr. Whicher: It should be, too.

Hon. Mr. Allan: How much would it be for 50, 100 and 50?

Mr. Whicher: The rate of increase is very little, as the hon. member said.

Hon. Mr. Allan: Oh no, they would not write it. After all, we cannot expect every person who has insurance to be in the preferred risk class. Of 2.2 million people, there are going to be some who are ordinary risks, and certainly there are a great many to whom the insurance companies prefer not to sell insurance.

The hon. member must remember that, as we raise the limits, we increase the difficulty of that particular person to obtain insurance. It goes without saying, and comparable jurisdictions have given this some thought.

We hear about compulsory insurance in Massachusetts. The limits that are required are only 5 and 10, with nothing for property damage. It might be interesting for the hon. members to know that, in that state, they have a speed limit of 40 mph. They have had compulsory insurance for 27 years. Their accident rate is almost double ours.

The coupling of compulsory insurance with greater highway safety is unwise. The experience of those who have had compulsory insurance certainly does not indicate that it increases the safety on our highways.

Mr. Whicher: Why does not the state of Massachusetts get rid of it, if it is no good? Incidentally, I just had a note passed to me from behind the Speaker's gallery. A person in Toronto who has \$50,000; \$100,000 and \$10,000 property damage coverage, pays an annual premium of \$35.20.

Hon. Mr. Frost: That is a preferred risk.

Mr. Whicher: That is a preferred risk and it is still only \$35.20.

Hon. Mr. Allan: Yes, but to quote individual instances does not prove anything. I could bring an instance of a man who was paying perhaps \$125 for 5, 10 and 5, so that the province must have a policy that will serve the entire number of drivers of motor vehicles within the province.

Mr. Whicher: What about serving the fellow who gets hit? That is what we are talking about.

Hon. Mr. Frost: The man who gets hit is now covered by the unsatisfied judgment fund.

Mr. Whicher: Only for \$10,000.

Hon. Mr. Frost: I know, but that is all right. That is twice as much as in the state of Massachusetts.

Hon. Mr. Allan: In the hon. member's remarks, he held up the state of New York as an example. The state of New York has limits there exactly the same as our unsatisfied judgment fund.

Mr. Whicher: They have 3 times as many cars on the road, too.

Hon. Mr. Allan: That does not make any difference to the limits.

Mr. Whicher: Half as many roads.

Hon. Mr. Allan: That makes no difference to the limits.

I only want to repeat, about the unsatisfied judgment fund, what I said this afternoon, that it has been a wonderful asset to this province. Since its inception we have paid out some \$13 million in claims. Our payments each year—and they will be greater this year of course—during the last few years has approximated about \$2 million.

We have looked at the possibility of improving that fund and we have not given up the hope of improving it. We are thinking of arranging, in some way, to dispense with certain procedures. Following our experience this year with the plan we have now, the matter will be considered again, but it may be possible to dispense with some present procedures. As it is now, it is an unsatisfied judgment fund, and there has to be a judgment, and although we have almost cut that in half this year, with the hope of speeding up settlements, if enough money could be in that fund so that we could settle without that judgment, then it would be really a very fine thing for the motorists of this province, and we will give consideration to that policy.

I would like to say again, Mr. Speaker, that the matter of solving this problem of automobile insurance is a very much greater one than is recognized by the average person. Our problem is to—

Mr. Whicher: Is the hon. Minister the average one, or am I?

Hon. Mr. Allan: Yes, I am average, but I recognize, I think, some of the problems in connection with it. I should, after having administered the unsatisfied judgment fund and the motor vehicles branch and now The Department of Transport for 3 years. I want to say, in the hope that it will be fully understood, that it is the ambition of The Department of Transport to have every driver of a motor vehicle insured.

Mr. Whicher: He knows how to do it.

Hon. Mr. Allan: It is our hope to accomplish that in such a way that it is not going to be unfair in the treatment of those drivers. That is why I mentioned this afternoon that it is our opinion, at the present time, that The Department of Transport—and not the insurance companies—are the ones who should say whether or not a driver is entitled to insurance.

Mr. Whicher: Then it will have to go into the insurance business.

Hon. Mr. Allan: Oh no, we will not, because it is not realistic to state that the insurance companies want to sell insurance to everyone.

Mr. Whicher: To everyone who is worthy of buying it.

Hon. Mr. Frost: Who is going to say that? Who is doing to determine that?

Hon. G. H. Dunbar (Provincial Secretary): The brother-in-law would always get the insurance policy. The brother-in-law of the agent, or the brother. That is where it would enter in.

Hon. Mr. Allan: It is only reasonable to recognize that the insurance companies, if the matter is left entirely to them, are going to pick their risks, and a great many persons—remember—depend upon a driver's licence for their living. We want to be sure that everyone who is entitled to a driver's licence has one, and that when that person needs insurance, he is going to be able to get it. That is the thinking back of our policy. I still maintain that it is sound.

I recognize, as has been stated by many—very sincerely I believe—this afternoon, that everything is not perfect. We feel that there has been a great improvement, that there will be further improvements and we are, in The Department of Transport, putting into practice everything that we can learn.

I might tell the hon. member, just as a matter of interest, that in connection with our point system, two of our men sat in with a committee in New York last week end, endeavouring to decide—as a result of a study conducted by one of the universities in the United States, a very extensive study—as to what value should be put on these different points. When this point system is introduced, we want to have it reasonable so that it will serve the driver in the best possible manner and accomplish, naturally, good results, as a result of having been introduced.

Mr. J. Root (Wellington-Dufferin): Mr. Speaker, I have listened with considerable interest to the hon. member for Bruce and the hon. Minister of Highways, and to the discussion this afternoon. There are just one or two observations that I would like to make, and suggestions that I would like to leave with the hon. Minister.

First, let me say to the hon. member for Bruce that he should not be under the illusion that insurance rates will not go up if we operate under compulsory insurance. For the past 25 years, or almost that length of time, I have operated a truck under compulsory insurance, and I know the rates that we have to pay are higher than for the same truck if it were not for the compulsory feature.

I am not going to discuss that phase now—

Mr. F. R. Oliver (Leader of the Opposition): Does the hon. member charge any more for hogs?

Mr. Whicher: Does he get any more under the table?

An hon. member: Where does he get it?

Mr. Root: Mr. Speaker, if the hon. member is willing to make a charge that he thinks he can substantiate, I will answer the charge. If it is just a smear and an innuendo, I will take it for what it is worth.

Mr. Whicher: I was only kidding.

Mr. Root: There has been a little too much of that kind of thing in Ontario. Mr. Speaker, what I wanted to say is that I appreciate the fact that the department is confronted with problems on this matter of insurance, and I think it is the desire of every hon. member to see to it that we develop in our people a sense of responsibility. If that can be accomplished by changes in our unsatisfied judgment fund, I am all in favour of it, because I am basically opposed to compulsion, and I think we should use compulsion only as a last resort.

I did want to suggest, to the hon. Minister, one or two problems that have been brought to my attention during the past year, that arise out of the policy that is in effect in Ontario at the present time.

As I said before, there is one group in Ontario which is forced to file proof of financial responsibility, and that is the PCV operators.

Twice in the last year, I have had it brought to my attention that constituents of mine who are filing proof, under this com-

pulsory requirement, have found to their sorrow that they have been in collision with someone who had no insurance. They were not responsible for the accident. Since they had insurance on their vehicle, they were able to have it repaired through the collision premium. Because they were involved in an accident, their premium rate went up for collision.

There does seem to be a bit of an injustice there, that people who have filed proof find that later on someone who has not taken the bother to protect the other fellow does not pay the penalty, or at least not at that particular time.

Now in their studies, I would like the people of the department to look into the possibility of putting everybody on the same basis. We can handle this question of financial responsibility through the unsatisfied judgment fund. I am just wondering whether they could take the group out of compulsory insurance who are under it at the present time, because I find this:

There are many small operators, with one or two or perhaps three trucks, who are forced to file proof, and at the same time, there are many large operators of private companies. I can think of a brewing industry if you like, the oil companies, some of the great grocery chains and so on, that have a fleet of long-distance heavy trucks, and they are not required to file proof at the present time.

I am just suggesting that, in these investigations, consideration be given to the possibility of putting everybody on the same basis in the province. If we are going to have proof of financial responsibility for one group, let us have it for all groups. If we are not going to have it for 80 per cent. or 90 per cent., let us not have it for any group.

As far as I am concerned, I would not want to drive a truck without insurance on it. I am just offering those two suggestions.

The other is this, that if, after the studies are completed, the department may find it necessary to demand some form of proof, I would not suggest just insurance because if we do that, we give a monopoly to the insurance people. I would suggest that several ways of filing proof be set up, if such is found to be necessary. Insurance, yes. Perhaps a bond that would be acceptable to the department, and perhaps the department might let the individual put up his own money or credit that would be acceptable to the department.

I am not in favour of creating monopolies, and I think if we were to accept the suggestion of the hon. member for Bruce, we would create a monopoly for insurance companies. I think we have to have some other way of filing proof, if the department finds, after it has completed the studies, that it is necessary.

Let me say this. I think that the government is doing the right thing by investigating this whole problem, and moving slowly. If we can develop a sense of responsibility in our people without going to compulsion, I am all for it.

Mr. A. Grossman (St. Andrew): Mr. Speaker, I will only be a few minutes, if the hon. members do not mind hearing from somebody who is in the insurance business. In the first place, I think a lot of the misconception about this compulsory insurance is that everyone seems to relate the matter of coverage for legal liability to the accident rate. There is no relationship to it at all.

The hon. member for Bruce, as a matter of fact, seemed to be giving the impression that if we compel people to carry insurance which they would otherwise not carry, that somehow or other that would reduce the accident rate.

Mr. Whicher: Will it make them more accident-prone? Will there be more accidents?

Mr. Grossman: I am merely stating, Mr. Speaker, that many people who are talking about compulsory insurance today, in their minds are relating it to the matter of reducing the accident rate. It does not have a thing to do with it.

Now, I do not mean only hon. members in this House because, in the arguments advanced, that seemed to be a thread of the argument running through the whole premise. Aside from that, the public generally, when we talk to them about compulsory insurance, say something about putting all those bad drivers off the road, and that we must do something about it.

Somehow or other, they seem to think that enacting compulsory insurance is going to accomplish that. I do not think it is going to accomplish that at all.

The hon. member for Bruce also talked very, very easily, very blithely about cancelling all these people's permits if their insurance is cancelled. I do not think the hon. member really realizes the implications in that. We know there are many people, Mr. Speaker, who once during their lifetime have

an accident, through just one very, very thoughtless momentary act. Now I think we could all be accused of those moments, at least once in our lifetime. Through that accident, an insurance company will quite often refuse to carry insurance.

Mr. Whicher: The hon. member is with the wrong company.

Mr. Grossman: Now, if the hon. member for Bruce knew anything about the insurance business, and I say this quite kindly, he would know that there is no insurance broker or agent who is with one company. He generally handles a line with many companies.

Mr. Whicher: He is with the wrong set of companies.

Mr. Grossman: Well, they are generally operated on the same basis, and surely the hon. member is not going to suggest—surely not—that the insurance company or agent should be the judge as to whether or not a person is going to drive a car. Now, surely, in this democratic state, would he not suggest that.

Mr. Whicher: Surely the hon. member for St. Andrew is not going to suggest that because of—

Mr. Speaker: Order, order.

Mr. Whicher: I would like to ask a question.

Mr. Grossman: Go right ahead.

Mr. Whicher: Is he going to suggest that the many decent insurance companies that we have in the province of Ontario are going to cancel a person's policy because he has one momentary lapse, or one accident in other words? They do not do it, and the hon. member knows it.

Mr. Grossman: Mr. Speaker, the insurance company looks at the claim, and looks at the nature of the accident, and looks at their own history for that particular year—their actuarial tables—and they just say, "We have to make some changes here, because we have had too many people with accidents."

So they send the word out to the agents, "You have just got to be a little more careful, gentlemen."

As the applications come in, they will say, "We are sorry, but we just have to be a little more careful this year. We have had a bad experience in the last year and—"

Mr. MacDonald: The hon. member has made the best case against them tonight.

Mr. Grossman: That may be. I am going to get to the socialistic aspect, if I am permitted by the Speaker. As a matter of fact, that is precisely what I was going to lead up to. This sort of cross-fire is just the sort of thing that the hon. member for York South and his party love, because it points out weaknesses in our free enterprise system. We all know there are many weaknesses in it, and if we keep on with this sort of a hassle, socialists will step in and give us socialized insurance. That is what is going to happen.

There are many people for example, Mr. Speaker, and I imagine among this group are many farmers, who do not use their cars very often. Compulsory insurance is going to inflict upon them a much higher premium merely to carry the cost of not only poor drivers, but also the cost of those who are driving their cars constantly.

Mr. MacDonald: The farmers drive all the year.

Mr. Grossman: I suggested, Mr. Speaker, that in my view, apparently many farmers did not use their cars so often. I have heard this view expressed and I could be wrong. I do not know everything. I just know some things.

There is another thing I think should be considered, Mr. Speaker. The hon. member for Bruce asked about the poor widow and the children who are left as a result of a fatal accident. The same question could be asked about the survivors of a person who is killed in a public building of some kind—a restaurant, theatre, a public building.

I mean, no one here seems to be raising the question that there should be compulsory insurance on those places, and these people cater to the public. We just take it for granted that if we are going into a public place, generally speaking, the owner will make sure that he has what is required for a good business operation, and has insurance.

Incidentally, Mr. Speaker, some of the hon. members of this House might be surprised if they knew how many of these places they go into that cannot get insurance either.

As an insurance agent, I am not too sure whether or not the insurance company should have the right to say who shall drive a car and who shall not drive a car. I repeat that compulsory insurance definitely will increase rates. There is not the slightest doubt about it. If the hon. member talks to any insurance man, within two minutes of thought, he immediately knows that if we take everybody into the pool, the poor drivers as well

as the good drivers, and who are insured today, that the rates must go up. They absolutely must.

In referring to the question as to whether the government should run the insurance or not, of course it is always easy, Mr. Speaker, to try to nationalize the other fellow's business. I want to make some comment on one aspect of what the hon. member for York South said in this respect, that one of the main reasons for a higher premium rate here, as against Saskatchewan, for example, was the middle man—the cost of the agent and some of the overhead.

Well now, with car insurance, as a matter of fact, the cost of the middle man, as far as the agent is concerned, is very, very little. It is an added cost, but of course, Mr. Speaker, that argument could be followed in every aspect of our business today.

I wonder whether the hon. member and his party would suggest that we eliminate the middle man such as the milkman who delivers milk, because quite easily we could go to the corner grocery store and buy our milk. The same thing with the bread salesman.

I wonder whether he would care to suggest that this is an unnecessary expense, because the consumer could get his merchandise cheaper if he did without this so-called middle man. The middle man gives the service. He delivers it to your door. In the same way the insurance man gives a service.

Also I do not think the hon. members should forget, in comparing rates with the government insurance of Saskatchewan, that there are many hidden costs to the tax payer and to the insured in Saskatchewan. For example, in the premium rates here is included a portion of the corporation tax which an insurance company must pay, and which they do not pay in Saskatchewan. Incidentally, in that respect, it means that the premium payer in Ontario is to some extent subsidizing the insured in Saskatchewan, because when I pay a premium here, included in that premium is a portion of the tax which the company must pay.

That is fairly obvious, and to the extent that I have to contribute to the federal coffers in my insurance premium, and the Saskatchewan insurance holder does not, I am subsidizing his insurance premium.

In addition to that, there is the tax on the individual tax payer, the man who makes a commission on selling the insurance, and all of those people who are associated

with the so-called middle man in the insurance business.

There is another factor, of course, which has not been mentioned by the hon. member for York South relating to the difference in premiums between here and Saskatchewan, if there is such a difference.

That is, rates naturally are quite higher where there are many thousands more cars in a smaller, more congested area. All the hon. members will admit that, because the exposure is greater, not only from the standpoint of the risk, but when there is an accident in an area like Ontario and I think one of the hon. members mentioned that, probably the proportion of new cars is much greater. Any insurance claim adjuster will tell us that the average car that has to be repaired costs more in Ontario, not only because there is a larger proportion of newer cars, but probably because those who repair cars are getting paid more money for it.

It also is reflected in the tax rate.

I am going to say something that might not be very popular, Mr. Speaker. I think this problem is highly exaggerated. If we do not confuse the accident rate with this sort of proposed compulsory coverage, what percentage of our people who are driving cars are ever involved in an accident in which there are uncollected damages? Very, very few, Mr. Speaker.

Why build up any huge bureaucratic department for the purpose of handling something which is being handled fairly well? I say that as a concession, Mr. Speaker, to the Opposition, because we, in this province, do things fairly well. We are not perfect in every respect, but I do not think compulsory insurance will pay, nor do I think that the insured automobile driver nor the public generally would be better off. In fact, I think they would be worse off if we put this sort of compulsion into effect.

Mr. MacDonald: Mr. Speaker, I can express our view on this resolution in about one minute. I agree with the hon. member for Bruce that compulsory insurance is necessary. I agree with the hon. Minister of Highways that the proposition that the insurance company should be the agency for screening who will drive on our highways is wholly unrealistic. I suspect that the hon. Attorney-General is correct—I think experience backs him up—that the proposal presented by the hon. member for Bruce is going to raise rates and, in the end, the only way that they can do something to cut those rates

down is to squeeze out the 30 per cent. that is not necessary. That is the 30 per cent. between what the private insurance companies today—the 54 per cent. roughly—are paying out in insurance premiums. This can be done by government insurance, which gives about 84 per cent. repayment. Sooner or later the department will have to save that 30 per cent. to be able to make compulsory insurance tolerable to people. When they have to buy it, the government will have to give it to them at cost.

Mr. Root: Why do they not do that in Saskatchewan?

Mr. MacDonald: They are.

Mr. Root: They are not.

Hon. Mr. Roberts moves the adjournment of the debate.

Mr. Speaker: Motion agreed to.

Mr. Oliver: No, it is not. We want to vote on it. We want to divide the House on it.

Mr. Speaker: All right. Call in the hon. members.

The vote is on the motion to adjourn the debate.

Will all the hon. members who are in favour of the motion, please rise.

As many as are opposed to the motion, please rise.

Hon. Mr. Dunbar: Why is the hon. member for Essex North (Mr. Reaume) not here? He has not been here for 6 years for a vote.

Mr. Speaker: The resolution has been negatived on the following division:

51 ayes.

8 nays.

Motion for the adjournment of the debate agreed to.

THE MUNICIPAL ACT

Hon. L. M. Frost (Prime Minister): The hon. member for Oshawa (Mr. Thomas) was going to withdraw that anyway.

Mr. D. C. MacDonald (York South): Mr. Speaker, I think I can say that the principle, or any variations of this that we are interested in, can be covered by another bill that is on the order paper.

Bill No. 106 withdrawn.

THE FAIR ACCOMMODATION PRACTICES ACT, 1954

Mr. R. Gishorn moves second reading of Bill No. 68, "An Act to amend The Fair Accommodation Practices Act, 1954."

He said: Mr. Speaker, in saying a word about the principle of this bill, and I think that just a word should suffice because I did present this bill last year and I am sure that most of the hon. members know what the intent is.

The bill intends to make it an offence to discriminate against persons because of creed, colour, nationality or ancestry in obtaining living accommodation in multiple dwellings.

Now there is great justification in the bill being adopted, and the best indication is the incident that took place in Toronto in 1956. The case of *Forbes vs. Shields*.

Mr. Forbes, a negro, alleged that he was denied accommodation in an apartment building because of his colour, and on the basis of his allegations, the case was brought before the hon. Minister of Labour (Mr. Daley) who in turn submitted it to a commission to investigate the complaint on racial discrimination in renting of accommodation.

The commissioner, his Honour judge Thomas, of Bracebridge, in his report to the hon. Minister, concluded that there was "logical and irresistible inference that the complainant (Forbes) was denied accommodation because of his colour." However, the case was dismissed because the present provisions of the Act do not cover rented accommodation, such as apartments.

Since the hon. Minister of Labour submitted the complaint to the commission, I am certain that he felt that the provisions of The Fair Accommodation Practices Act would look after the allegations. I feel that the principle should be supported, and I just want to make one little comment to help support the principle.

I want to read a clipping from a paper in regard to the election of the present Young Conservative president—Mr. Jung:

Jung's victory was assured when Maritime, Western and Quebec delegates supported his candidacy en bloc with only the Ontario delegates, and not all of them, voting for Hogan. Jung's Conservative supporters emphasized the fact that election of a Chinese to head the Young Progressive-Conservative Association would have favourable reaction in non-white areas of the world.

"It will demonstrate to the world that Canada is a country where there is no racial discrimination and where democracy really means something," was the way one delegate expressed it.

That, I say, is the truth, and I hope the bill is supported.

Hon. C. Daley (Minister of Labour): In reply to the hon. member, I would like to draw to his attention, and to the attention of the House, that we have already introduced a bill which is coming up for House in committee, probably tonight. In this Act we are proposing, the Honourable the Lieutenant-Governor is empowered to establish a commission to deal with the question of discrimination. It also empowers this commission to establish a system and an educational programme.

I would say, sir, throughout the years this government has consistently endeavoured from the early days—I am not too sure of the date—to prohibit the establishment of discriminatory restrictions in a will, or in a deed, on down through. We have permitted no discrimination in employment, no discrimination in public accommodation. All this has indicated, I think, throughout the years, that this government has endeavoured, to the extent that it is possible, to eliminate discrimination in this province.

I would say we have met with a great deal of success. It is my particular job in The Department of Labour to administer these Acts pertaining to discriminatory practices. I can say that because of the public reception of the intent of these Acts—to permit no discrimination because of race, creed, colour or place of origin—the type of people we have in Ontario should be complimented highly, because they have accepted this. For that reason, the number of cases of discrimination which are brought to the attention of the authorities in my department is very limited. There is very little of it, and we have, throughout the years, developed a system of dealing with these cases that are brought to our attention.

If someone alleges discrimination, even at distant points such as Port Arthur, Fort Frances, Ottawa, Windsor or any place, we will have somebody investigating that job as early as the next day after it has been reported to us, endeavouring to conciliate it. I can say that almost without exception we have been successful, because it has been proved that when there is a case of discrim-

ination, it is usually because the person accused of discrimination is unaware that he is doing anything contrary to the law, and it is very easy to fix these things up.

I am convinced, Mr. Speaker, that the educational programme which we will have, when this bill before the House is finally approved, will in my opinion almost completely eliminate discrimination in this province at least. I think the moves that this government has made along this line are being followed by other provinces.

The federal government carries on quite a programme of education, and it is our intention to utilize that where we can, and to develop our own system of acquainting the people with the desirability of not discriminating against anyone.

I think in view of the fact that our bill is before the House, which will not maybe accomplish everything overnight that the hon. member might expect, that we are taking one more step forward in this programme of eliminating discrimination. I think that what we are doing will meet with the approval of the people in this province who, I am happy to say, have accepted the law of the province that discrimination shall not be in effect in this province.

I do not know anything more I could say other than this, that I believe that under the leadership of the hon. Prime Minister the Acts which have already been put in the statute books have accomplished a great deal. This further Act that we have tonight will be, as I have already said, just another step forward to eliminate this evil of discrimination.

Hon. Mr. Daley moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I move that you do now leave the chair and the House resolve itself into the committee of the whole.

Motion agreed to; House in committee of the whole.

Clerk of the House: There are two notices of motions.

The first is by hon. L. P. Cecile, *Resolved*,

That the provincial costs of assistance or relief,

(a) under an agreement for the Crown in the right of Canada or any agency

thereof authorized by section 9 of The General Welfare Assistance Act, 1958, or

(b) paid under The General Welfare Assistance Act, 1958, to a recipient of direct relief or an allowance under The Unemployment Relief Act,

and the expenses of administration of The General Welfare Assistance Act, 1958, be paid out of the consolidated revenue fund until March 31, 1959, as provided by Bill No. 176, An Act to provide general welfare assistance to persons.

The second is by hon. J. N. Allan,
Resolved that—

(a) every purchaser within the meaning of The Motor Vehicles Fuel Tax Act, 1956, shall pay to the treasurer at the rate of 18.5 cents per imperial gallon on all fuel received by them and not excluded by regulations;

(b) every registrant within the meaning of The Motor Vehicles Fuel Tax Act, 1956, will pay to the treasurer a tax at the rate of 18.5 cents per imperial gallon on all fuel used by him to generate power for the propulsion of a motor vehicle, as provided for by Bill No. 185, An Act to amend The Motor Vehicles Fuel Tax Act, 1956.

Hon. L. M. Frost (Prime Minister): Mr. Chairman, I would like to inform the House the Honourable the Lieutenant-Governor (Mr. MacKay) having been informed of the subject matter of the proposed resolutions, recommends them for the consideration of the House.

Resolutions concurred in.

TOWN OF EASTVIEW

House in committee on Bill No. 42, An Act respecting the town of Eastview.

Mr. D. C. MacDonald (York South): Mr. Chairman, last night I had a few more comments I wanted to make in light of some of the observations, but on second reading there was no possibility of dealing with them because the rules of the House do not permit this.

They fall into two general categories; first, comments on the procedure with which this bill has been handled, and second, the basic principle raised by the municipal board report which, upon further investigation

today, I am convinced is not being protected sufficiently, notwithstanding representations made last night by the hon. Minister of Municipal Affairs (Mr. Warrender).

Dealing first with the procedure of how this has been handled, Mr. Chairman, the sole intervention last night in the debate by the hon. member for Russell (Mr. Lavergne) was that I had been responsible for the newspaper stories which revealed the contents of the municipal board report on this bill. Now Mr. Chairman, had I been responsible for doing that, I submit that I would have performed a real service; but in spite of the unintentional compliment of the hon. member, I can assure him that the newspaper men did not need any assistance from me in digging out that report when it had not been read either to this House or to the standing committee.

It would seem to me, Mr. Chairman, that under the circumstances it would have been the part of wisdom for the hon. member for Russell to have maintained a discreet silence. After all, one of the most disturbing features of this bill is that it was designed to cope with the situation created by serious municipal mismanagement. Yet the very sponsor of the bill was the chief architect of that mismanagement. In describing it as such, I am only describing what the municipal board has reported.

Further, in the first draft of the bill, the municipal board report indicated that this House was given completely false information. If some hon. members of the Opposition—and perhaps notably myself—had been guilty of submitting anything to this House which so misrepresented the facts of a serious situation, I am certain that we would have been delivered a lecture on Victorian ethics by the hon. Prime Minister (Mr. Frost) in tones of righteous indignation that would have made some of the lectures of the past sound almost like a song of praise.

Yet the fact of the matter is that the hon. Prime Minister's only contribution to the debate last night was to point to the fact that the *Ottawa Citizen* had carried a story suggesting that everybody back in Eastview seemed quite happy with the situation.

Hon. L. M. Frost (Prime Minister): That is for the people of Eastview to deal with themselves, I mean I do not know what we have—

Mr. MacDonald: Well, just let me proceed now, because if the people of Eastview are really happy as the one story indicated, I

want to suggest to the hon. Prime Minister that it is because they have not yet learned the true facts. I do not know how anybody who read the municipal board's report submitted to this House could not be profoundly disturbed with the kind of situation that it revealed.

Hon. Mr. Frost: If that is so, what does the hon. member propose to do with it?

Mr. MacDonald: Just a minute now, just a minute. My second comment on the procedure has been that the handling of this bill, particularly at the committee stage, was an elaborate effort to try to have the bill slipped through without the facts getting to the public.

I am not going to assess the motives if there were any motives that need to be criticized—but the hon. Prime Minister cannot deny the fact that when the Ontario municipal board report came before the House in accordance with rule No. 75, it was he who asked that it be held over so that it could be read in committee. He also cannot deny, nor can anybody—

Hon. Mr. Frost: I would say to my hon. friend, there is no use talking about "cannot deny," implying that I am denying anything. The fact of the matter is that I asked that the report that was brought forward in the House be read to the committee, and I think it would have been far better if the report had been read to the committee with the hon. Minister's letter. Now, who is denying anything?

Mr. MacDonald: The fact of the matter is that it was not—

Hon. Mr. Frost: Well, all right, I had it read here yesterday.

Mr. MacDonald: All I am saying is that there was an elaborate effort to get this bill through without—

Hon. Mr. Frost: There was not any elaborate effort—

Mr. MacDonald: Because of the fact that the newspaper reporters got hold of the report, and published its contents, so that the facts were out, the whole matter had to be brought up on top of the table. Since then, of course, it has been read here into the records of the House.

The other point that I wanted to raise, Mr. Chairman, is with regard to the basic principle involved in this.

The Ontario municipal board, in its first recommendation, urged that this bill should not be passed. Now, Mr. Chairman, I have today taken steps to satisfy myself that, in spite of the various interpretations that may be put on the words of that report, this was precisely what the authors of the municipal board report intended.

Hon. Mr. Frost: Why did they go on to offer an alternative then?

Mr. MacDonald: Their first recommendation was that the bill should not be passed. Then the report went on to suggest that it should not be passed, so that initiative for solution of this financial situation in Eastview should be placed in the lap of the council that was responsible for creating it. Left to deal with their own plight, the people of Eastview could find out exactly how bad is the situation with regard to their finances. This was a specific recommendation.

Hon. A. K. Roberts (Attorney-General): Did not my hon. friend say all this last night?

Hon. Mr. Frost: I think my hon. friend is out of order. However, in view of the fact that he complains about the procedure in the committee, I think we should go ahead and let him say it, I do not think he is adding anything to anything, but let him go ahead, I have no objection. I would ask indulgence to let him go ahead. After all, there is no gag rule around here.

Mr. MacDonald: The hon. Minister of Municipal Affairs last night said that the reason why the fourth recommendation made in the Ontario municipal board had not been accepted was that an amendment had been made this year to one section of The Ontario Municipal Board Act, which makes it possible to go in any municipality to make a study of their finances.

I want to suggest that that has no particular relevance to the situation that we are dealing with in Eastview at the present time. There have always been such powers in The Municipal Board Act—in fact, the municipal board report was written in full knowledge of those powers.

Furthermore, it was in light of those powers that the municipal board's suggestion was made that, if this bill were going to be passed, one of the amendments that should be made was, in effect, that the affairs of Eastview, as long as these debentures were outstanding, should be placed under the control of The Department of Municipal Affairs.

The hon. Minister's effort to bring in this other amendment is irrelevant. It is a political

smoke screen that has nothing to do with this particular issue, because the necessary powers were in existence in section 332—powers to go in and make an investigation if the situation demanded it.

Hon. W. K. Warrender (Minister of Municipal Affairs): Quite wrong.

Mr. MacDonald: Well, Mr. Chairman, the hon. Minister knows that section 332 gives him the power to go in and make an investigation.

Hon. Mr. Warrender: That is a different section altogether. It has to do with an inquiry, not this.

The hon. member can go ahead, and then I will set him right when he has finished.

Mr. MacDonald: In other words, Mr. Chairman, the government has taken a very lenient approach here instead of taking what, in light of the circumstances, should have been a very strong approach to make certain that this kind of situation is going to be cleared up and will not recur again.

The hon. Minister himself told the House last night—and it seems to me that this is a very relevant piece of information—that two years ago he had intimated to the council of Eastview that the situation was so bad that something should be done about it.

What happened in the intervening two years? Was this warning, was this advice, taken? No, the situation went from bad to worse.

Now, in light of that, for the protection of the citizens of Eastview, how can the government take this easy way out? The government's attitude has all the suggestion of being a politically easy way out.

My final point is this. One of the changes of the last 20 years, as compared with the kind of problem and the kind of experience we had in the depression when the municipalities got into economic difficulties, is that by amended powers it is now possible for The Department of Municipal Affairs to take over control of a municipality.

This gives the creditors and the bondholders of the municipality the assurance that their interests are going to be protected.

I want to suggest to the hon. Minister that the government's action in this case is of wider significance than Eastview. If the bondholders and creditors of municipalities all across this province get the idea that the government is not willing to exercise this supervisory power which, in their wisdom after the experience of the 1930's, governments assumed unto themselves, if they are

not willing to exercise that power, then they are going to raise legitimate apprehensions.

It was this fear that, I think, was in the minds of the authors of the municipal board report when they suggested to the government that it should act now.

My final word is with regard to a comment which the hon. Prime Minister made last night. He said that if the affairs of Eastview were taken under control of the department by statute, then the only way that such control could be relinquished is by another statute. I submit to the hon. Prime Minister that that is not the case. The municipal board's recommendation stated specifically that this control would be for only as long as the particular issue of bonds is outstanding. Just as quickly as this particular issue of bonds was paid off, then, automatically, this control would end.

Hon. Mr. Frost: Supposing they issued debentures for, say, 10 years, supposing that happened, would the hon. member keep them under supervision for 10 years?

Mr. MacDonald: That is precisely what the municipal board suggested.

Hon. Mr. Frost: Well, I do not agree.

Mr. MacDonald: Therefore, I am even more convinced of the wisdom of the thought back of the municipal board report. I submit to the government that the board's first preference should be heeded, namely that the bill should not pass, and that the task of solving Eastview's financial difficulties should be left with the council which was responsible for them in the first instance.

Sections 1 to 11, inclusive, agreed to.

Preamble agreed to.

Bill No. 42 reported.

Hon. Mr. Frost: In connection with this bill, I think I should say that the Clerk of the House advised me that the day the report was referred to in the committee—I am not sure whether it was in the committee or here in the House—when the report came up in the House and was referred to in the House, the press gallery asked for the report and the Clerk of the House sent it to them in the ordinary course. Now, that is how they got the report, so I might as well make that plain, so there will be no misunderstanding.

Mr. MacDonald: I am glad to hear that. I trust the hon. member for Eastview, who said it was I who was responsible for getting it for the press, will take note.

Hon. Mr. Frost: After all, I want to be fair about it, the press did not have to ferret it out. I am telling the truth, and the press had every right to get the report.

THE PUBLIC SERVICE ACT

House in committee on Bill No. 129, An Act to amend The Public Service Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 129 reported.

THE REGISTRY ACT

House in committee on Bill No. 135, An Act to amend The Registry Act.

On section 1:

Hon. A. K. Roberts (Attorney-General): Mr. Chairman, I move that subsection 7 of the new section 52 be amended by adding to it the following clause:

(d) To a deed covenant mortgage assignment of mortgage release or quit claim made by an executor or administrator or trustee under a will or by a public trustee or any other person dealing with lands in an official capacity.

That amendment simply adds one further provision under subsection 7 on page 2 of the bill, in addition to those already set out there as noted.

Section 1, as amended, agreed to.

Sections 2 to 6, inclusive, agreed to.

Bill No. 135, as amended, reported.

ONTARIO ANTI-DISCRIMINATION COMMISSION

House in committee on Bill No. 155, An Act to establish the Ontario anti-discrimination commission.

Sections 1 to 7, inclusive, agreed to.

Bill No. 155 reported.

THE PUBLIC SERVICE ACT

House in committee on Bill No. 158, An Act to amend The Public Service Act.

On section 1:

Hon. G. H. Dunbar (Provincial Secretary): On section 1, subsection 5, I want to place in there, after 4, that this section does not

apply to any employee who was more than 50 years of age when his continuous service commenced. That is, no civil servant will be entitled to this if he is appointed after he is 50 years of age.

Section 1, as amended, agreed to.

Sections 2 and 3, agreed to.

Bill No. 158 reported.

THE COUNTY JUDGES ACT

House in committee on Bill No. 156, An Act to amend The County Judges Act.

Section 1 agreed to.

Hon. Mr. Roberts: On section 2, I move that "judges" mentioned in section 1 be inserted after the word "be" in the first line of subsection 1 of the new section 3 that "judges or" be inserted after "more" in the second line of that subsection, and that "judge or" be inserted after (a) in the first line of subsection 2, so that section 3 will read as follows:

1. In addition to the judges mentioned in subsection 1, and the junior judges mentioned in section 2/1, or more judges or junior judges not exceeding 6 in number, may be appointed to

(a) The county or district court of any county or district of the Lieutenant-Governor-in-Council may designate, or

(b) the county and district courts of the county and districts of Ontario.

2. The junior judge appointed for the county and district courts of the county and districts of Ontario shall reside in the county or district courts district that is designated by the Lieutenant-Governor-in-Council.

Section 2, as amended, agreed to.

Sections 3 to 7, inclusive, agreed to.

Bill No. 156, as amended, reported.

EXTENSION OF MUNICIPAL FRANCHISE

House in committee on Bill No. 160, An Act to provide for the extension of municipal franchise.

On section 1:

Mr. F. R. Oliver (Leader of the Opposition): Mr. Chairman, I understand that a

number of municipalities—perhaps 3, in number—have already voted on this question. Would they be required, under this bill, to have another referendum before they could operate under its provisions?

Did the committee sit twice on this thing, did they pass in the first instance? I was not at the committee meeting, but there was some suggestion that the first report of the committee indicated that these 3 municipalities would not have to vote again.

Hon. W. K. Warrender (Minister of Municipal Affairs): I was not at the first meeting, but it did come to my attention, at the first meeting of the committee, that 3 names were left in the record—the names of those cities which had an affirmative vote. Then the next day, when I was present, the matter was reopened by one of the hon. members. I was to decide on reconsideration of the section that those 3 names should be stricken from the record, having the effect that all municipalities must now vote on the question, and in the affirmative, before it would become effective.

Mr. Oliver: Did this bill receive consideration on two successive days in committee?

Hon. Mr. Warrender: Yes.

Mr. Oliver: It was held over from one day to the next.

Hon. Mr. Warrender: I do not know what happened from the one day to the next, but I do know—

Mr. Oliver: I thought they reported to the House it had passed.

Hon. Mr. Warrender: No, the first day I understand it was not reported, but when the subject matter was opened up again the Clerk of the House sent upstairs for the bill, and it was brought down and reconsidered the second day. At that time, as I say, that amendment took place.

Mr. R. Whicher (Bruce): Unfortunately, I could not be at the second meeting, but I would like to ask why they would make Toronto, as an example, vote again, when certain officials from the city of Toronto said at the first day of the meeting that it had passed 4 to 1 in favour. Or was it 2 to 1?

Hon. Mr. Warrender: It does not matter, the principle is there anyway.

The answer to that is this, Mr. Chairman, that a question such as worded here in section 2 of the bill was posed to the citizens of Toronto, London and Port Arthur, and there was an affirmative vote for the principle.

It was the feeling of the committee that, even though that was the case, the ratepayers, owners and tenants would be asked to vote again, because there are certain principles now attached to the bill which could not be, and were not even, suggested when the abstract question was asked in the first place.

That was the committee's view, so they reported that these 3 municipalities named should be deleted, so that now they must vote in the affirmative. As I say, no one ever thought it might be necessary to have it enumerated to protect the rights of those to whom the privilege of voting is to be extended. They would not know just what was involved in the general procedure. They could not know that there might be this cost involved in the enumeration, in order to complete the list.

For those and various other reasons it was thought advisable, even though 3 had voted in the affirmative, that they be asked to vote again in the interest of the citizens themselves, particularly the homeowners who, if there is another vote, would have to pay the cost of that enumeration and all the other election expenses involved in it.

Mr. Whicher: Mr. Chairman, I just want to make one remark about it. I remember distinctly the official who was representing the city of Toronto said that it was going to cost the city \$125,000 for the enumeration. He had it worked out in detail, and I suggest that the city certainly does know how much it is going to cost. They were quite in favour. Even the people who were there representing the homeowners' or ratepayers' association, while they had been against the bill to start with, they are for it now. There was not one person from the city of Toronto against it, as I recollect.

Hon. Mr. Warrender: It was pointed out, Mr. Chairman, to members of the board of control that there would be some cost involved in this. I heard no murmurs at that time.

As a matter of fact, I quoted some figures from the 1955 general provincial election which was the only thing we had to go by, because it was the same general class involved. In 1955 it cost about \$114,600, so I am not surprised that they now come up with a figure of \$125,000.

That was all explained to them, and, as I say, I heard nothing more about it from them.

Mr. MacDonald: I attended all the meetings in which this bill was considered. It was considered at 3 meetings. At the first meeting it was discussed in considerable detail.

Representations were made from the city of Toronto and London, from the association of women electors. It was held over because the department officials wanted to let a few more days elapse so that they might be able to get reports from the municipalities as to which copies of the bill had been sent out. It was held over until the following Monday.

On the following Monday we made an amendment to what was section 2, sub-section 2, of the first draft of the bill—including Port Arthur, along with Toronto and London, because of the fact that Port Arthur had wired and indicated they had held a vote and they would like to be included with these other two cities.

It was discussed thoroughly; in fact the hon. member for Wentworth (Mr. Child) indicated that he thought that all municipalities should be put on an even basis—that we should, in effect, strike out section 2.

This was debated at considerable length in the presence of the people who were interested. The bill was then adopted.

Then we came back to another meeting, the following Monday, when the interested persons had no idea that this bill was going to be considered at all. The hon. member for Renfrew South (Mr. Maloney) raised the issue, claiming that he had been talking to some of his constituents the night before, and as a result of talking to them, he felt that we should not give Toronto and London and Port Arthur the right to enact this by a by-law without having another vote.

Mr. Chairman, I find it rather strange—in fact, incredible—that the constituents of Renfrew South are disturbed about whether or not Toronto can move on this without having another vote. But this was the pretext upon which it was raised again. It seemed rather apparent that the bill had been discussed by Conservative hon. members of the committee in the intervening period and this section was deleted.

I would like to add further to what the hon. leader of the Opposition has said, and tell the House of something of which the hon. Prime Minister is aware.

In the first place, in the city of Toronto the board of control met this morning. They discussed this and they asked the mayor of Toronto to get in touch with the hon. Prime Minister because they were disturbed by our action. They cannot understand why, after all of the interested persons and organizations had made representations, and presumably this was settled, then on this rather flimsy pretext that the people of Renfrew

South were disturbed, the whole matter should be raised again.

I understand that the hon. Prime Minister's explanation was that it would upset something in the Metro arrangement—what exactly, I do not know. Some people in their representations at the second meeting indicated that, because of people moving from one section of Metro to another, there would be difficulty in making up lists. It all seemed to me to fall into the category of exaggerating the mechanical difficulties as a means of defeating the basic principle, because even if we do go ahead and delete this section and the city of Toronto decides to have a vote and they pass it, once again they could proceed, and by so doing, presumably they would upset Metro.

Well, are they going to upset Metro under those circumstances any more than if they were given permission now?

It seems to me, Mr. Chairman, extremely presumptuous that this Legislature and its committee particularly—led by people who have no particular interest in these 3 areas and after representatives from these areas have come and gone home—should suddenly decree that these 3 municipalities must have another vote.

Let me draw to the attention of the House that one of the bodies represented at the first two meetings of the committee, when presumably the bill was accepted, was the association of women electors.

In fact, the association of women electors, along with the professional women's association and the board of trade, was among the bodies that considered the whole question in Toronto before it was voted on by the people. The question had much more discussion than some of the comments of the hon. Minister of Municipal Affairs would suggest.

As a result of what happened at the committee meeting, and the deleting of section 2, the association of women electors have written a letter to the hon. Prime Minister, a copy of which has been sent, I believe, both to the hon. leader of the Opposition and myself. I want to read two or three paragraphs of it.

Hon. Mr. Frost: They did not bother sending one to me.

Mr. MacDonald: Well, it is addressed to the hon. Leslie Frost and it is dated March 25.

Hon. Mr. Frost: Well then, I must admit I have not seen it.

I will be very glad to hear it. Let the hon. member go ahead.

Mr. MacDonald: I am starting at the second paragraph:

If there had been any new evidence presented today, we could have understood the reversal in view of the short time left in this Legislative session.

But the only new consideration reported in the press was derisory. Mr. Maloney is reported to have said that his constituents in Renfrew were troubled by some matters in the bill. But the constituents of Renfrew are not affected one way or the other by the change made in the bill today.

That is, the deletion of the 3 cities that have held votes.

Hon. Mr. Allan and hon. Mr. Warrender are reported to have said that when the citizens of Toronto voted for the franchise extension in the referendum in 1956, they did not realize how complicated and expensive the new franchise would be to operate, and that they had voted for the principle in the abstract without being aware of some of the difficulties of putting it into effect.

It is difficult to take these alleged statements seriously as arguments for changing the legislation so as to require the voters of Toronto, London and Port Arthur to vote on it all over again. What should they vote on except the principle? Does the Ontario government expect, either of the provincial voters or of municipal voters, the technical knowledge to pronounce on a particular detailed scheme.

If there are difficulties in the scheme provided in Bill 160, which was hon. Mr. Warrender's bill, why does he suddenly discover that the day after the scheme is approved by the committee.

We believe there is a clear issue of principle in the procedure. If your government were operating on the principle that Ministers should decide without public hearings, we could understand the decision today.

But if so, why was a false appearance of democratic consultation given by holding hearings, coming to a committee decision on the basis of the hearings, and then, when the bodies concerned are no longer present, reversing that decision?

It becomes difficult for public-spirited bodies to contribute to the democratic process if their informed and careful participa-

tion in that process is to be treated in this cursory way.

That, I repeat, is a letter from the association of women electors addressed to the hon. Prime Minister.

Mr. Cowling: Who signed that?

Mr. MacDonald: It is signed by Mrs. C. B. MacPherson who is president of the association of women electors, and dated March 25, 1958.

When we get to section 2—in light of these representations which strike me as being very vain because they are precisely the kind of representations I made as a minority of one in the committee when this sudden reversal was made at the third meeting, after the bodies had gone away—I propose in section 2 to move an amendment.

Hon. Mr. Frost: I might mention that I have not received that letter. I may say this morning I did have a conversation with his worship the mayor of Toronto. His worship said there was no resolution of council or the board of control as I understand it; in any event there was no resolution presented to me.

The conversation my hon. friend referred to did not have to do with the mechanics of voting at all. As a matter of fact, I have not paid any attention to the matter of the committee nor do I know what took place or the course of things in the committee, but I point out that this matter has come to me and this was the course of my conversation with the mayor.

It referred to Metropolitan Toronto. In Metropolitan Toronto there are 24 elected members in the council, 12 of them come from the city of Toronto and 12 of them come from the other 12 municipalities of the Toronto metropolitan area.

I found this, that there was a difference of opinion within Metropolitan Toronto, and I suppose it has been expressed to the hon. members here from Metropolitan Toronto that, if this Act came into effect as of January 1, 1959, in Toronto, the city of Toronto itself which elects 12 members to the council would have a different type of electorate than the other 12 members from municipalities in Metropolitan Toronto.

It was pointed out that these other municipalities would not have the right to adopt this type of voting until they had a vote, which would mean that they would not be able to elect their reeve or their representative to the metropolitan council on this same basis, until 1961.

In other words, Metropolitan Toronto would have a different body or electorate than would have the other 12 municipalities.

I discussed this at the time with the mayor. I did not discuss this with others, but I gave some consideration myself to the question of bringing all of Metropolitan Toronto into the ambit of this Act, and allowing them to do this without a vote, which means that we would have 12 municipalities brought in without any vote effective January 1, 1959.

One of the objections of that was this, and it came from the township of North York, whose council wrote us, and were very strongly opposed to both the bill and the principle of the bill.

In any event, North York, I think, is in the hon. member's own constituency. Well, North York township very strongly opposed this bill, both the principle and everything else.

The point was this: First of all, either make it available to everyone without a vote in Metropolitan Toronto, with the largest partner in Metropolitan Toronto coming in without a vote, or else have them all take a vote. I would, in looking this thing over, think that the second alternative of having them all take a vote is the proper procedure.

In other words, I do not think in Metropolitan Toronto there is a very considerable argument against having a different electorate in the city of Toronto than there is in the other municipalities.

On the other hand there is this, and I think this answers my hon. friend's question.

Suppose in 1961 the city of Toronto votes favourably and in 1961 they have an election, and they elect on this new voters' list, but the others do not. Nevertheless the other municipalities have had the opportunity of doing it and then it is a free matter for them.

It might be that, in the township of North York for instance, either the council would not submit it to the people or it might be submitted to the people and the people might vote against it, but still they would have the right, and it would be putting them all on an even keel.

I would say I have not had any strong feelings about this particular matter at all, but it would seem to me that those arguments would be far more desirable in Metropolitan Toronto, if for no other reason than to have them all on an even basis, and they have the opportunity this January of voting for or against the position if their councils want to submit it.

In 1960—

Mr. Oliver: How are they going to arrange a metropolitan vote?

Hon. Mr. Frost: Well, there is not a metropolitan vote, but all the municipalities have the opportunity of submitting it to the people. If they do not do it, that is their business and they cannot complain. But at the present time I can say this, that it is very obvious that there are going to be some very serious complaints about it.

I think we had better leave it the way it is.

Mr. MacDonald: Suppose they did not want to have a vote and some of the other areas, 2, 3, or 4 of them, along with Toronto decided to have a vote, and voted favourably? Then we are right back where we started.

Hon. Mr. Frost: No, no, that is their business. They all have the opportunity.

Mr. MacDonald: Their business is that they did not want to have a vote because they are opposed to it.

Hon. Mr. Frost: Well, that is up to them.

Mr. MacDonald: Sure, but whether or not they hold a vote, a neighbouring municipality in Metropolitan Toronto holds the vote, and votes "yes", so that we have this discrepancy, which I suppose the hon. Prime Minister is exaggerating—

Hon. Mr. Frost: Why does the hon. member not talk it over with his own township?

Mr. MacDonald: —in the fact that the electorate is somewhat different in Toronto than it is in a neighbouring riding.

Mr. A. Grossman (St. Andrew): I do not know how much importance he places on it, but I think the hon. member should know there is a difference. They are, in effect, electing members to a council some of whom are elected from one class and another from another class; those people are going to be setting a metro level which all of the people in all of the 13 municipalities are going to have to meet.

Mr. MacDonald: I grant that. Let me ask the hon. Prime Minister another question. All the arguments he has advanced are with regard to Metropolitan Toronto. Let us forget Metropolitan Toronto for a moment.

Is he, in effect, going to say to London and to Port Arthur: "We impose our will on you. You must hold another vote, even though your representatives were here, including

hon. members of the government side of the House, who were sponsoring the people and voting for it"? In fact, government hon. members from the interested areas were not at the other meeting when the reversal was made—the hon. members from London, for example.

Hon. Mr. Frost: Could the hon. member omit, for instance, the city of Toronto on the grounds we have mentioned, and then turn around and include the city of Port Arthur? I think myself, when we look at it, that is far better to start them all from scratch and let them vote for it, and then everybody will be satisfied. It is, at least, democratic.

Mr. C. E. Janes (Lambton East): I was on that committee, and there was a thorough discussion given to this matter, and they all voted unanimously except, I think, our hon. friend here—

Mr. MacDonald: It was the third meeting though.

Mr. Janes: That is all right, but they discussed it very thoroughly, and thought they were doing the right thing, and I think they were.

Mr. MacDonald: After they sent the others home.

Mr. A. H. Cowling (High Park): I think the hon. leader of the Opposition has a question in mind, and I think I can answer it.

An hon. member: What is the answer?

Mr. Cowling: Here is the answer, and I think I know what his question would be. The 13 municipalities included in Metropolitan Toronto all vote on the same day, and it is the first Monday in December.

He was asking the question, "Would they all have to vote maybe on different days?" They all vote on the same day every time.

Mr. Oliver: No, just a minute. This bill refers to the city of Toronto, that is, the city of Toronto proper, as I understand it.

The hon. Prime Minister says that maybe we had better just have them all vote all over again. Well now, if they start voting all over again what will happen? The city of Toronto will vote again, and supposing they carry it in the affirmative once more, as they have done in the past, then how different is their position then than it is now?

Hon. Mr. Frost: They all have an equal opportunity.

Mr. Oliver: What does the hon. Prime Minister mean, "they all have an equal opportunity"?

Hon. Mr. Frost: Well, they all have the opportunity now of submitting to the electorate at the next election. If they do not do that, then they cannot complain. But at the present time there are bound to be some complaints.

Mr. Oliver: I think the hon. Prime Minister is missing the point completely.

If he says that Toronto, by this bill: "Even though you have voted and carried, you are going to have to vote again," and supposing they carry it this time—as they probably will, as this has become a matter that has won pretty wide approval this last number of years—then the city of Toronto will again be the island as it is now. We would be in precisely the same position as we are in at the moment, so what better off are we going to be insofar as the other component parts of Metropolitan Toronto are concerned?

It may be, as my hon. friend says, that they all vote on the one day, but they all may not get the notion to vote on this particular question.

Hon. Mr. Frost: Surely that is their business.

Mr. Oliver: I know it is their business, but I mean, why is this government going to deny the city of Toronto what they have asked for? They can get it, if they vote again, and the situation will be exactly the same in relation to the other component parts of Metropolitan Toronto. It will not be changed one bit.

Mr. MacDonald: Let me draw to the hon. Prime Minister's attention that he received a letter from York township which is opposed to it in the principle. That being the case, are they going to submit it to the vote?

Hon. Mr. Frost: Probably not, but they have the opportunity.

Mr. MacDonald: How can he say they have the opportunity when they did not even have a vote at all?

An hon. member: They had the opportunity in the past, too.

Mr. MacDonald: I want to move, seconded by Mr. R. Gisborn, that section 2, subsection 2 of Bill 160, as contained in the original bill

and as amended in the standing committee, be restored, so that it will read as follows:

The council of the corporation of the city of Toronto, the council of the corporation of the city of London, and the council of the corporation of the city of Port Arthur, may pass a by-law under section 1 without submitting for the consent of the municipal electors the question referred to in subsection 1.

Mr. MacDonald: A moment or so ago, on behalf of the hon. member for Oshawa (Mr. Thomas) who could not be in the House tonight, I withdrew a resolution which dealt with essentially the same principle as this. There is only one variation, as pointed out by some other responsible bodies who have looked into this question, such as the citizens' research committee which has circulated hon. members of this House with a study of this Toronto bill and the extension of the municipal franchise.

If this government is going to extend the municipal franchise on voting for members of council, why should they deprive people for voting for members of the school board or public utilities?

Hon. Mr. Frost: Well, how can they tell who is a public or separate school supporter, how do they do that?

Mr. MacDonald: Well, there are various ways of doing that. I do not want to go into details now.

Hon. Mr. Frost: Well, there is not any way in which that can be done.

Mr. MacDonald: This is exactly the same argument as the hon. Minister has put forward earlier—that the problems of enumeration are great. I submit again, Mr. Chairman, what is happening here is all manner of mechanical detail and procedures have been raised for the purpose of defeating the principle.

Hon. Mr. Warrender: Oh, that is what the hon. member says.

Mr. MacDonald: The principle that I want to inject into this bill which was contained in the resolution of the hon. member for Oshawa, is this,

That section 2, subsection 1 of Bill No. 160 be amended by adding the word "school board trustees and public utilities after election by members of council—

Hon. Mr. Frost: Oh, dear.

Mr. MacDonald: —so that the question to be submitted to the electors will read as follows:

Are you in favour of extending the right to vote at the municipal elections for members of council, school board trustees and public utilities to all persons of the full age of 21 years who are British subjects, and who will have resided in the municipality for at least one year in accordance with The Municipal Franchise Extension Act of 1958?

I draw to the hon. Prime Minister's attention, if he is really genuinely disturbed, that this is in essence the question that was voted on in each of the cities where the vote has already been held.

Hon. Mr. Frost: Well, that may be, but I do not think it is constitutional. May I point out to my hon. friend, supposing they have an enumeration in some place, and public school supporters are put on the separate school panel, as a matter of fact they might overwhelm the separate school supporters by their vote, and they might conversely work where they have a small public school and a large separate school.

I would say furthermore, I doubt that it is constitutional, and that was the advice we received, I do not think it is constitutional. How can they put a person on a separate school or on a public school panel by enumeration? As a matter of fact, the law says that it follows the payment of taxes, and if there is no payment of taxes, then how could they meet that situation?

Mr. MacDonald: Again I do not want to go into the details on some of those, but some—

Hon. Mr. Frost: The hon. member might as well say something sensible.

Mr. MacDonald: —of those who submitted representation to the committee, and who were in favour of this, pointed out that there would be no more difficulty here—and I am addressing myself at the moment to the constitutional issue—than experienced in western provinces which have separate schools and an extended franchise.

Hon. Mr. Frost: Well, I would say it was discussed here.

Mr. MacDonald: Oh, I am sorry, I am reminded the Deputy Minister did raise it in the committee. It slipped my mind.

The point is this, it was felt that in the enumeration they can do it by assessors, as some people want it, or ask the person if he is a separate school supporter when enumerating. There are some people who are Roman Catholics who designate themselves as public school supporters on the municipal rolls today.

Now is that unconstitutional?

Mr. Collings: They pay taxes.

Mr. MacDonald: I agree.

Mr. Grossman: The same thing would not apply to a 21-year-old necessarily, my hon. friend must know that, because there is no financial responsibility attached to his declaration, whereas as it exists now there is a financial responsibility as to where that person's taxes go when he declares himself as either a separate school or a public school supporter.

Mr. MacDonald: If the hon. member's argument were basically valid, then we start from the premise that anybody who is not paying taxes should not be in this picture.

Mr. Grossman: That is a different thing altogether.

Mr. MacDonald: We go back to somewhere before 1832, when only people with property could vote.

Mr. Grossman: Has the hon. member read the bulletin he refers to?

Mr. MacDonald: Yes.

Mr. Grossman: Can he make any head or tail about their argument with respect—

Mr. MacDonald: You bet I can.

Mr. Grossman: Well, could the hon. member explain it to us? I would like to know.

Mr. MacDonald: I will not take time now.

Hon. Mr. Warrender: This demonstrates one thing to me, and that is the hon. member is supposed to have made a great study of this matter, and it is quite obvious that he does not know what he is talking about.

If he does not know what he is talking about after having allegedly made this study, how could some of the ordinary citizens around town, who are going to be guided by such persons as he, be guided to vote at election time?

How can a person be either a public school supporter or a separate school supporter when they are not supporting anything? It has

been ruled by the legislative people that it would be unconstitutional, and probably would upset the whole school system in the province of Ontario.

Mr. MacDonald: If they are not supporting anything, Mr. Chairman, then they are public school supporters. A person who is not a separate school supporter and so designates himself—this is correct, and now let hon. members not wave their hands at me as though they can dismiss me out of existence—a person today who is not a separate school supporter automatically becomes a public school supporter.

I just draw to the hon. Minister's attention, when he gets it down to the personal level, that I have made no pretence of an exhaustive look into this. But I draw to his attention that the votes that have been taken were taken on the supposition that the vote would be extended for this purpose, as well as for electing council.

I also draw to his attention that here is a body that has done a very thorough study.

Hon. Mr. Warrender: They did not understand what they were talking about.

Mr. MacDonald: The hon. gentleman used to be an alderman in the city of Toronto, and he knows that this body has been putting out bulletins dealing with public issues and municipal affairs for years. They are not an irresponsible body that is going to throw this out without—

Mr. Grossman: No, but that does not mean that they have given the proper thought and study to this, so as to satisfy those people who have to stand up and vote for it, and to satisfy me.

I have asked the hon. member, Mr. Chairman, to read this and try to explain to the hon. members of this House, just exactly what sense there is in the argument they employ here.

The one line that they use for this new group of voters, "no question of school support would arise, and allegiance for election purposes is the only point concerned."

Perhaps the hon. member can explain that, I cannot.

Mr. Whicher: If I may, Mr. Chairman, I would just like to make one remark about this. I agree very much that the schools should not be included in this vote, and I was very much impressed by the Deputy Minister when he explained to the committee the other day that the legal advice that the

department had obtained was to the effect that it was unconstitutional.

As far as I am concerned, that is quite a satisfactory explanation.

However, I would like to ask the hon. Minister of Municipal Affairs, if he has the information, why we could not include the public utilities commission? There is no question of legality as far as public utilities commissions are concerned, and it seems to me that inasmuch as they fit very much in with council work, certainly in most municipalities of this province, we could very well have included them in this bill.

Hon. Mr. Warrender: We are going quite far enough just mentioning voting for members of council.

Clerk of the House: I have heard the amendment moved by Mr. MacDonald, seconded by Mr. Gisborn.

All in favour say aye.

Those opposed say nay.

In my opinion the nays have it.

Hon. Mr. Frost: I would say in passing that it shows something of the complications in this matter. While in the first instance perhaps it was all right to have this thing go through for Toronto and London, I had not heard of Port Arthur. But really, when I see and hear the complications, I think it far better to let the people vote on this once they get the bill before them. It has convinced me.

Sections 3 to 11, inclusive agreed to.

Bill No. 160 reported.

THE LIQUOR CONTROL ACT

House in committee on Bill No. 161, An Act to amend The Liquor Control Act.

On section 1:

Mr. A. Wren (Kenora): With regard to section 1 of this bill, I would again appeal to the hon. Provincial Secretary (Mr. Dunbar) to set out in section 1, subsection 4, some clear definition as to what residence implies in construction camps and in mining camps, and so on across the north. Last night or yesterday the hon. member for Beaches (Mr. Collings) and I had quite a discussion out in the hall about this. He suggested to me that there was nothing wrong at all with a man living in a room in a mining bunk house or his lumber camp bunk house which had a room in which the door could be locked, or had a room which was shared with another

man which could be locked, in having liquor in his possession in those rooms.

That is still not clearly defined under the Act, and convictions have been obtained, and I said the other night when I was speaking about this subject that I would be glad to sit down and discuss this.

Convictions have been obtained when men have had, in their possession, liquor in rooms which could be locked, where two men were sharing a room. Charges were laid under The Liquor Control Act because the mining companies concerned had said that this was not their private residence, that this was the mining company's property.

Evidence was introduced into court to suggest that the men were in that bunk house simply because they were employees of the mine and not because they were residing in a private residence.

I would suggest again that, out of all due consideration to the men who are at least human beings, some amendment should be made to the Act to make it clear.

It may be the intent of the administration that what has happened should not be so, and that these men should be permitted to have liquor in rooms which can be locked, and in rooms which are to all intents private domiciles. But the Act does not clearly imply that, and I would suggest to the hon. Minister that amendments be made to make that abundantly clear that where men have liquor in their possession in rooms which can be locked, or quarters which are private to all intents and purposes to them, are free from conviction under The Liquor Control Act.

This is a difficult argument under which one could not be convicted, because under The Liquor Control Act of Ontario, the moment a person opens his window, actually he is guilty of an offence. I think it should be made clear that these men are not guilty of an offence if they take liquor into premises which are to them private, and for which they are paying substantial amounts of money for room and board to occupy those premises.

Hon. Mr. Frost: There are some elements of reason and perhaps fairness in what my hon. friend says. But I would point out this, that from a standpoint of definition, from a standpoint of enforcement, it is just clearly impossible. We could not accept it.

Mr. Wren: The whole Act is impossible.

Hon. Mr. Frost: Well, that may be. But if the people want it, they can vote for it, and if they do not, they can vote against it.

Hon. Mr. Dunbar: We have mentioned apartment. We have not mentioned all these things.

There is no doubt about it that the company must have had some good reason, they must have been overstepping their privileges with that mining company and creating a disturbance, just the same as in the case of a hotel.

If a person creates a disturbance in a hotel, they could stop him from having liquor, or he could not have it in the hallway in the hotel. He must have it in the room.

We could not open the words "bunk house" because, as the hon. member knows, I have lived in the north country just the same as he has, and I know bunk houses and have owned them, and they are not all with private rooms or semi-private rooms, or with locks on them. Some of them have 40 men sleeping in them in the mining camps. The hon. member may call them bunk houses, but as he knows, the proper name for them is—

Mr. Wren: Oh, the hon. Provincial Secretary has not been around lately.

Hon. Mr. Dunbar: The proper name for them is "caboose."

Hon. Mr. Frost: Camboos.

Hon. Mr. Dunbar: Caboose, that is what they call them in the northwest. With the threshing gangs, the men sleep in the caboose and just what a lot of these are throughout the north country I know something about, because I have lived there and built a town there.

Mr. Wren: What about the man who has a private room in a mining camp?

Hon. Mr. Dunbar: To a private room, there is no objection.

Hon. Mr. Frost: Residence means a building, or part of a building, that is bona fide and actually occupied and used by the owner, lessee or tenant solely as a private dwelling, together with the lands and buildings pertinent thereto which are, in fact, normally and reasonably used as part of living accommodations.

This Act provides that these things are a question of fact. We have not attempted to define these things as rigidly as they were in the old OTA and in the original Liquor Control Act. It is left, as a matter of fact, for the magistrate to judge. The definition of residence is clarified and extended. The chief purpose is to enable the person to have

and consume legally acquired liquor in his home or on his lands pertinent thereto.

In case of prosecution, the magistrate will determine the matter as a question of fact. I would say it is left to the common sense of the magistrate to handle that.

It is an impossible situation to define, to get down to a definition, and I would not attempt to do it.

As a matter of fact, we have attempted in this Act to remove some of the restrictions that were in the old Act, and leave it to a matter of common sense of adjudication on the part of the magistrate as to what residence is, having regard to the general definition.

I would not go further than that, and as far as I am concerned, I would not be prepared to accept any amendment that is a matter of a great deal of difficulty—

Mr. Wren: Well, Mr. Chairman—

Hon. Mr. Frost: The hon. member can argue all he likes, he can talk from morning till night—

Mr. Wren: Well, all right, I appreciate what the hon. Prime Minister said about this. But let him not forget some magistrates—and I could name some—who are appointed under the influence of mine managers, and I want to say this—

Hon. Mr. Roberts: Well now, just a minute.

Mr. MacDonald: Under the influence of defeated Tory candidates.

Mr. Wren: I want to tell the hon. Attorney-General—and he is a man for whom I have a great deal of respect—that I do not want to get into personalities about this. But the man who is president of the Conservative association in my riding is a mine manager, and he has a great deal of influence around there as to who is appointed to what, and what instructions are issued to whom.

The point I am making is this—

Hon. Mr. Roberts: I would just like to get the record clear on that. There was no suggestion of the appointment of any magistrate by the mine manager or the candidate in that riding that has been followed by any appointment—

Mr. Wren: Well, all right, we will let that go for the moment. The point I am trying to make, Mr. Chairman, is that in this particular section of the Act, the government goes to a great deal of pains to set out the definition as to when a building or part of building, as the hon. Prime Minister has

pointed out, as occupied, becomes a private dwelling and so on. They go on, in subsection 1, and set out that a private guest room in a hotel or motel, that is bona fide and actually occupied as such by the guest of the hotel or motel, and then they go a little bit further in 3 and include a trailer, tent, or vessel that is a bona fide and actually used by the owner, lessee, tenant as a private dwelling. Now, why cannot they go one step further and include occupied private quarters in a mining camp or in a lumber camp, under doors which are locked if you wish, and clearly set out the facts—

Hon. Mr. Roberts: I would just like to get the record clear.

Mr. Wren: All right, I can see the hon. Attorney-General does not want to do this—

Hon. Mr. Dunbar: No, we do not want to do it.

We would not want it like the Yukon, we would not want the town open wide—

Mr. MacDonald: Oh, no. Now, do not—

Mr. Wren: Well, I can point out hotels right in this city of Toronto that are wide open—

Hon. Mr. Dunbar: How did the hon. member ever find them?

Mr. Wren: Well, let the hon. Provincial Secretary just take out his cheque book and come out with me tonight, and I will show him—

Hon. Mr. Dunbar: Oh, I do not look for that kind of stuff.

Mr. Wren: It is far more disgraceful than he will find even in lumber camps.

An. hon. member: Why does the hon. member not report it?

Mr. Wren: What would be the good of reporting it?

Sections 1 to 8, inclusive, agreed to.

Bill No. 161 reported.

CONSOLIDATED REVENUE FUND

House in committee on Bill No. 165, An Act to authorize the raising of money under the credit of the consolidated revenue fund.

Sections 1 to 4, inclusive, agreed to.

Bill No. 165 reported.

THE ONTARIO WATER RESOURCES COMMISSION ACT, 1957

House in committee on Bill No. 167, An Act to amend The Ontario Water Resources Commission Act, 1957.

Sections 1 to 17, inclusive, agreed to.

Bill No. 167 reported.

THE PUBLIC HOSPITALS ACT, 1957

House in committee on Bill No. 168, An Act to amend The Public Hospitals Act, 1957.

Sections 1 to 3, inclusive, agreed to.

Bill No. 168 reported.

THE HOSPITAL SERVICES COMMISSION ACT, 1957

House in committee on Bill No. 169, An Act to amend The Hospital Services Commission Act, 1957.

Sections 1 to 9, inclusive, agreed to.

Bill No. 169 reported.

THE TRENCH EXCAVATORS PROTECTION ACT, 1954

House in committee on Bill No. 170, An Act to amend The Trench Excavators Protection Act, 1954.

Sections 1 to 5, inclusive, agreed to.

Bill No. 170 reported.

TOLLS ON CERTAIN BRIDGES

House in committee on Bill No. 175, An Act to provide for the charging of tolls on certain bridges.

Sections 1 to 6, inclusive, agreed to.

Bill No. 175 reported.

GENERAL WELFARE ASSISTANCE TO PERSONS

House in committee on Bill No. 176, An Act to provide general welfare assistance to persons.

Sections 1 to 14, inclusive, agreed to.

Bill No. 176 reported.

THE LOAN AND TRUST CORPORATIONS ACT

House in committee on Bill No. 177, An Act to amend The Loan and Trust Corporations Act.

Sections 1 and 2 agreed to.

Bill No. 177 reported.

THE ONTARIO FUEL BOARD ACT, 1954

House in committee on Bill No. 178, An Act to amend The Ontario Fuel Board Act, 1954.

Sections 1 to 8, inclusive, agreed to.

Bill No. 178 reported.

THE UPPER CANADA COLLEGE ACT

House in committee on Bill No. 179, An Act to amend The Upper Canada College Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 179 reported.

THE MUNICIPALITY OF METROPOLITAN TORONTO ACT, 1953

House in committee on Bill No. 180, An Act to amend The Municipality of Metropolitan Toronto Act, 1953.

Sections 1 to 10, inclusive, agreed to.

Bill No. 180 reported.

THE ONTARIO MUNICIPAL BOARD ACT

House in committee on Bill No. 181, An Act to amend The Ontario Municipal Board Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 181 reported.

THE PIPE LINES ACT, 1958

House in committee on Bill No. 182, The Pipe Lines Act, 1958.

Sections 1 to 5, inclusive, agreed to.

Hon. J. W. Spooner (Minister of Mines): Mr. Chairman, I move that the words "including the King's highway" be struck out of the third and fourth lines of subsection 1,

and out of the fourth line of subsection 3 of the bill.

Section 6, as amended, agreed to.

Section 7 agreed to.

Hon. Mr. Spooner: I move an amendment to section 8. I move that the word "along" in the second line be struck out and the words "to gain access to" be substituted.

Section 8, as amended, agreed to.

Sections 9 to 11, inclusive, agreed to.

Mr. W. A. Stewart (Middlesex North): Before section 12 is carried, I would like to know just what the hon. Minister has to say about the explanation, about 25 miles in length, in there. It has been explained, but I would just like to have it in the record, and his explanation as to what that means.

Hon. Mr. Spooner: Mr. Chairman, it is the intention of the department—and naturally the advice of the fuel board would be considered—that the hon. Minister will give recommendations to the Honourable the Lieutenant-Governor-in-Council. This is because there will be times when emergencies might arise, when it would be impossible for the companies to abide by the requirements of the Act. We can foresee a situation arising where an emergency has to be handled because of the necessity to add an additional supply of gas, of natural gas, to an area using gas. I would assure the hon. members that they can feel quite certain that this authority will be used very sparingly.

I might further qualify the section of the bill by saying that this section is the same as the federal Act in that respect.

Sections 12 to 16, inclusive, agreed to.

Bill No. 182 reported.

THE TRAVELLING SHOWS ACT

House in committee on Bill No. 183, An Act to repeal The Travelling Shows Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 183 reported.

THE MOTOR VEHICLE FUEL TAX ACT, 1956

House in committee on Bill No. 185, An Act to amend The Motor Vehicle Fuel Tax Act, 1956.

Sections 1 to 4, inclusive, agreed to.

Bill No. 185 reported.

Hon. Mr. Frost: Mr. Chairman, I move the committee of the whole do rise and report certain bills with, and certain bills without, amendments and two resolutions.

Motion agreed to.

Mr. Chairman: The committee of the whole begs to report two resolutions and certain bills with amendments, and certain bills without amendments, and begs leave to sit again.

Report agreed to.

THE HOUSING DEVELOPMENT ACT

Hon. A. K. Roberts moves second reading of Bill No. 184, "An Act to amend The Housing Development Act."

Motion agreed to; second reading of the bill.

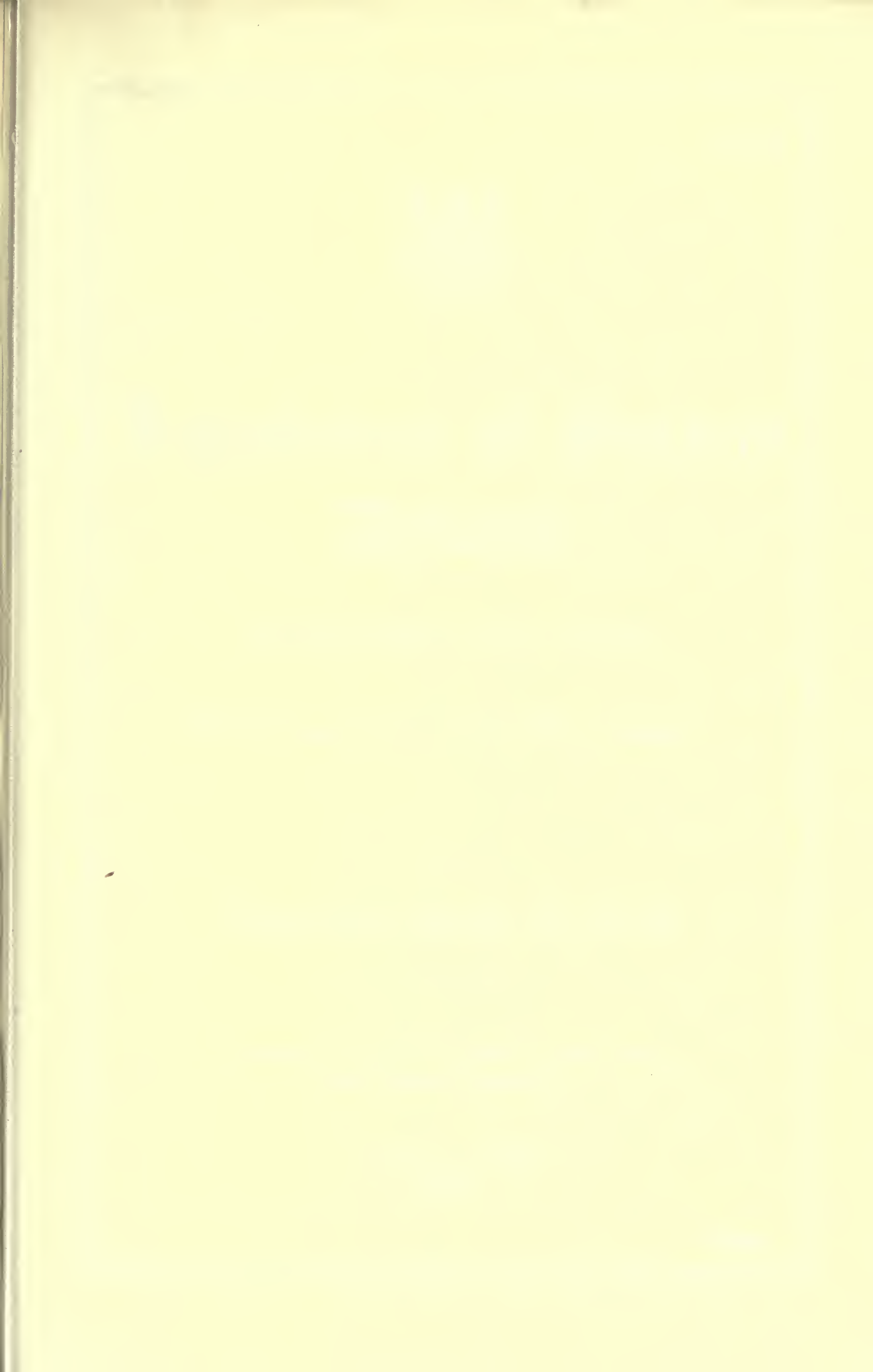
Hon. Mr. Frost: I move, seconded by hon. Mr. Dunbar, that notwithstanding the previous order, when this House adjourns the present sitting thereof it stands adjourned until 10.30 of the clock tomorrow morning.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, the business for tomorrow is on the order papers. I move the adjournment of the House.

Motion agreed to.

The House adjourned at 11.10 of the clock, p.m.







ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Fourth Session of the Twenty-Fifth Legislature

Thursday, March 27, 1958

Speaker: Honourable The Rev. A. W. Downer
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 27, 1958

10.30 O'CLOCK P.M.

The House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

Orders of the day.

Hon. W. K. Warrender (Minister of Municipal Affairs): Before the orders of the day, I have a little statement that I should like to make concerning two areas in this province, namely London and Sudbury. We feel they should have special study given to them in order to help them solve their municipal problems.

Pardon me, I have been running, I am a little out of breath.

As a result of the rapid expansion of rapid population in a number of areas in the province, inter-municipal problems have developed which may now be best solved by the traditional expedient of annexation or amalgamation. Two of these areas, which have recently come forcibly to the attention of the government, are the London area and the Sudbury area.

I should go in, perhaps, for this kind of thing, to provide a means whereby these area problems may be studied by an impartial party and the best solution arrived at. Legislation has been introduced at this session to authorize the municipal board on the request of the Lieutenant-Governor-in-Council to inquire into and report on the establishment organization, re-organization and method of operation of any two or more municipalities in any designated area.

This, it should be noted, is quite a different approach from that where the board deals with a very specific application of a municipality.

Legislation has also been introduced to make available to the board any expert assistance the board may desire, through the provision of the appointment, as acting members of the board, of persons who, in the opinion

of the chairman, are specially qualified to assist the board and are recommended by him.

It is proposed he designate forthwith, as areas for such special study by the board, the London area and the Sudbury area. The government anticipates that, as a result of the studies of the problem in these cases on an area basis, the best result will be obtained in the interest of all concerned.

It is also expected that the experience gained in these two cases will commend the expansion of such studies to other areas which have inter-municipal growth problems.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before the orders of the day, I should like to make a third reference to our very distinguished press gallery. I may say as I have said before, sir, that I think we have the finest press gallery in Canada. I am able to say that I am an honorary member now, but I am always very glad to boast of the prowess and accomplishments of our press gallery.

I have already referred to members who have received distinguished honours. Today, I want to refer to Mr. Bob Hanley who is, by the way, the vice-president of the press gallery this year, who has received the western Ontario award for the best sports story in 1957.

Now that, sir, arises from a human interest story centred on the fact that for two days he lived, as it were, in the dressing rooms of the great team from the city of Hamilton, the Tiger Cats—the two days before their great football battle of last fall.

The fact that Mr. Hanley was able to live for two days in that atmosphere, very greatly assisted him in living for the last 8 weeks in the atmosphere that he has lived in here.

I understand, sir, that he is to receive another award next month, arising out of this. The Dow Award will be given by the Kitchener-Waterloo press club. I am sure we congratulate him and we congratulate our own press gallery.

Mr. Speaker, I move that you do now leave the chair, and the House resolve itself into the committee of the whole.

Motion agreed to; House in committee of the whole.

THE MUNICIPALITY OF METROPOLITAN TORONTO ACT, 1953

House in committee on Bill No. 174, An Act to amend The Municipality of Metropolitan Toronto Act, 1953.

Sections 1 to 20, inclusive, agreed to.

Bill No. 174 reported.

THE HOUSING DEVELOPMENT ACT

House in committee on Bill No. 184, An Act to amend The Housing Development Act.

On section 1:

Mr. F. R. Oliver (Leader of the Opposition): May I ask the hon. Minister if he has had any request for the powers conferred in this bill from any municipality?

Hon. W. M. Nickle (Minister of Planning and Development): Yes, the application came in connection with this Act mainly from the metropolitan council of Toronto, who were desirous of having the metropolitan authority vested with sufficient rights to investigate low rental housing areas in the metropolitan area.

It is from them this application comes, but the result of this Act will apply across the board.

Mr. Oliver: What would the scope of the investigation of the hon. Minister's department be in this matter?

Hon. Mr. Nickle: Well, supposing the metropolitan council in their wisdom decide that they would like, in some part of the municipality, to establish a low rental housing area. Any corporation, say Scarborough, Toronto, or Etobicoke, could apply to the metropolitan council to have the area investigated to establish a low rental housing area. At the present time they have not such authority and they want it.

The metropolitan housing area collects certain rents from certain housing projects, but the demands are getting greater in relation to low rental houses, as my hon. friend knows, and just where these areas should be established, the construction of the building, the rent to be charged are open questions, and they want the authority to set up a committee to make this report to the metropolitan council so they can formulate their own programme. At the moment there is no such authority.

Mr. D. C. MacDonald (York South): May I ask the hon. Minister how he reconciles this statement, that the demand for low rental housing is getting greater, with the statement of a number of hon. members—including, I think, the hon. Prime Minister—that they now believe that the older homes are becoming available, and replacing the need for low rental housing as people move out into new homes?

Hon. Mr. Frost: That is right; that is not inconsistent.

Mr. MacDonald: It is not?

Hon. Mr. Nickle: No.

Sections 1 to 3, inclusive, agreed to.

Bill No. 184 reported.

Hon. Mr. Frost: I move the committee do rise and report two bills without amendment.

Motion agreed to.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report two bills without amendment.

Report agreed to.

THIRD READINGS

The following bills were given third reading upon motions:

Bill No. 29, An Act respecting the estate of Melville Ross Gooderham, the Kathleen Isobel Drope trust, and the Charlotte Ross Grant trust.

Bill No. 61, An Act to amend The Mortgages Act.

Bill No. 65, An Act to amend The Land Titles Act.

Bill No. 110, An Act to amend The Power Commission Act.

Bill No. 111, An Act to amend The Administration of Justice Expenses Act.

Bill No. 114, The Libel and Slander Act, 1958.

Bill No. 124, An Act to amend The Mining Act.

Bill No. 125, An Act to amend The Milk Industry Act, 1957.

Bill No. 126, An Act to amend The Farm Products Marketing Act.

Bill No. 127, An Act to regulate the storage of farm produce in grain elevators.

Bill No. 128, An Act to amend The Highway Traffic Act.

Bill No. 130, An Act to amend The Municipal Act.

Bill No. 131, An Act to amend The Department of Municipal Affairs Act.

Bill No. 134, An Act to amend The Real Estate and Business Brokers Act.

Bill No. 137, An Act to repeal The Lost Stamps Act.

Bill No. 139, An Act to amend The Succession Duty Act.

Bill No. 141, An Act to amend The Lake of the Woods Control Board Act, 1922.

Bill No. 142, An Act to amend The Assessment Act.

Bill No. 143, An Act to amend The Municipal Act.

Bill No. 144, The Manitoba-Ontario Lake St. Joseph Diversion Agreement Authorization Act, 1958.

Bill No. 145, An Act to amend The University of Toronto Act, 1947.

Bill No. 146, The Veterinarians Act, 1958.

Bill No. 147, An Act to amend The Charitable Institutions Act, 1956.

Bill No. 148, An Act to provide for the services of homemakers and nurses.

Bill No. 149, An Act to amend The Public Commercial Vehicles Act.

Bill No. 150, An Act to amend The Public Vehicles Act.

Bill No. 151, An Act to amend The Ontario Highway Transport Board Act, 1955.

Bill No. 152, An Act to provide for the control of air pollution.

Bill No. 153, An Act to amend The Damage by Fumes Arbitration Act.

Bill No. 154, An Act to amend The Department of Education Act, 1954.

Bill No. 157, An Act to amend The Female Refugees Act, 1958.

Bill No. 159, An Act to amend The Vital Statistics Act.

Bill No. 162, An Act to amend The Corporations Act, 1953.

Bill No. 163, An Act to amend The Embalmers and Funeral Directors Act.

Bill No. 164, An Act to amend The Financial Administration Act, 1954.

Bill No. 166, An Act to amend The Homes for the Aged Act, 1955.

Bill No. 171, An Act to amend The Rehabilitation Services Act, 1953.

Bill No. 172, An Act to amend The Crown Attorneys Act.

Bill No. 173, An Act to amend The Summary Convictions Act.

Bill No. 42, An Act respecting the town of Eastview.

Bill No. 129, An Act to amend The Public Service Act.

Bill No. 135, An Act to amend The Registry Act.

Bill No. 155, An Act to establish the Ontario anti-discrimination commission.

Bill No. 156, An Act to amend The County Judges Act.

Bill No. 158, An Act to amend The Public Service Act.

Bill No. 160, An Act to provide for the extension of the municipal franchise.

Bill No. 161, An Act to amend The Liquor Control Act.

Bill No. 165, An Act to authorize the raising of money on the credit of the consolidated revenue fund.

Bill No. 167, An Act to amend The Ontario Water Resources Commission Act, 1957.

Bill No. 168, An Act to amend The Public Hospitals Act, 1957.

Bill No. 169, An Act to amend The Hospital Services Commission Act, 1957.

Bill No. 170, An Act to amend The Trench Excavators Protection Act, 1954.

Bill No. 175, An Act to provide for the charging of tolls on certain bridges.

Bill No. 176, An Act to provide general welfare assistance to persons.

Bill No. 177, An Act to amend The Loan and Trust Corporations Act.

Bill No. 178, An Act to amend The Ontario Fuel Board Act, 1954.

Bill No. 179, An Act to amend The Upper Canada College Act.

Bill No. 180, An Act to amend The Municipality of Metropolitan Toronto Act, 1953.

Bill No. 181, An Act to amend The Ontario Municipal Board Act.

Bill No. 182, The Pipe Lines Act, 1958.

Bill No. 183, An Act to repeal The Traveling Shows Act.

Bill No. 185, An Act to amend The Motor Vehicle Fuel Tax Act, 1956.

Bill No. 174, An Act to amend The Municipality of Metropolitan Toronto Act, 1953.

Bill No. 184, An Act to amend The Housing Development Act.

Mr. Speaker: Resolved that the bills do now pass and be intituled as in the motions.

Hon. Mr. Frost moves that the Speaker do now leave the chair, and the House resolve itself into committee of supply.

Motion agreed to; House in committee of supply.

ESTIMATES, PROVINCIAL SECRETARY'S DEPARTMENT

(Continued)

Vote 1,608 agreed to.

Hon. Mr. Frost: I move the committee do rise and report certain resolutions.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: The committee of supply begs to report the committee has risen and begs to report a certain resolution.

Report agreed to.

Mr. Speaker: Mr. H. M. Allen (Middlesex South) in the committee of supply, reports the following resolution:

Resolved in supply that the following supplementary amounts, to defray the expenses of government departments named, be granted to Her Majesty for the fiscal year ending March 31, 1958:

Hon. L. M. Frost (Prime Minister): Mr. Speaker, as has been customary, these resolutions are all printed, and are on the hon. members' desks. It has been the custom for some years past to dispense with the reading of them, and if the House would concur I think we might do that this year, because these resolutions have all been passed in committee and are, as I say, on every hon. member's desk.

We might have the second part read.

Clerk of the House:

Resolved that supply in the following amounts, and to defray the expenses of the government departments named, be granted to Her Majesty for the fiscal year ending March 31, 1959:

Hon. Mr. Frost: I make the same comment, sir, and suggest we dispense with the reading of it.

I move that you do now leave the chair and that the House resolve itself into the committee on ways and means.

Motion agreed to; House in committee on ways and means.

Clerk of the House:

Resolved that there be granted out of the consolidated revenue fund of this province a sum not exceeding \$798,542,500 to meet the supply to that extent granted to Her Majesty.

Resolution concurred in.

Hon. Mr. Frost: Mr. Chairman, I move the committee do rise and report that it has come to a certain resolution.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: The committee on ways and means begs to report it has come to a certain resolution.

Report agreed to.

ACT GRANTING CERTAIN SUMS OF MONEY

Hon. Mr. Frost moves first reading of bill intituled, "An Act for granting to Her Majesty certain sums of money for the public service for the fiscal years ending March 31, 1958, and March 31, 1959."

Motion agreed to; first reading of the bill.

Hon. Mr. Frost moves second reading of the bill.

Motion agreed to; second reading of the bill.

Hon. Mr. Frost moves third reading of the bill.

Motion agreed to; third reading of the bill.

Mr. Speaker: Resolved that the bill do now pass and be intituled as in the motion.

Hon. Mr. Frost: Mr. Speaker, I beg to advise you and the House that the Honourable the Lieutenant-Governor (Mr. Mackay) awaits to give assent to certain bills and to prorogue the session of the Legislature.

The Honourable the Lieutenant-Governor entered the chamber of the legislative assembly and took his seat upon the Throne.

Mr. Speaker: May it please Your Honour, the legislative assembly of the province has, at its present sittings thereof, passed several bills to which, in the name and on behalf of the said legislative assembly, I respectfully request Your Honour's assent.

The Clerk Assistant: The following are the titles of the bills to which Your Honour's assent is prayed:

An Act respecting Windsor Jewish communal projects.

An Act respecting the separate school board of the town of Lindsay.

An Act respecting St. Peter's Church, Brockville.

An Act respecting Huron college.

An Act respecting the Stratford Shakespearean festival foundation of Canada.

An Act respecting the township of Grantham.

An Act respecting the city of Waterloo.

An Act respecting the township of London.

An Act respecting the city of Chatham.

An Act to incorporate Sudbury Young Women's Christian Association.

An Act respecting the village of Port Perry.

An Act respecting the Royal Victoria hospital of Barrie.

An Act respecting the village of West Lorne.

An Act respecting the township of Chinguacousy.

An Act respecting Canadian Pacific Railway Company.

An Act respecting Waterloo College associate faculties.

An Act respecting Queen's University at Kingston.

An Act respecting the town of Thorold.

An Act respecting the city of London.

An Act respecting The Ontario dietetic association.

An Act respecting the township of Teck.

An Act respecting the city of Windsor.

An Act respecting the Lakeshore district board of education.

An Act respecting the board of education for the township of North York.

An Act respecting St. Michael's College.

An Act respecting the city of Toronto.

An Act respecting the Canadian National Exhibition Association.

An Act to incorporate the chartered institute of secretaries of joint stock companies and other public bodies in Ontario.

An Act respecting the estate of Melville Ross Gooderham, the Kathleen Isabel Drope trust and the Charlotte Ross Grant trust.

An Act to incorporate the society of directors of municipal recreation of Ontario.

An Act respecting the city of Belleville.

An Act respecting the board of education for the city of Sault Ste. Marie.

An Act respecting the corporation of the synod of Toronto and Kingston of the Presbyterian Church in Canada.

An Act respecting the town of Fort Frances.

An Act respecting the township of Sunnidale.

An Act respecting the town of Almonte.

An Act respecting the village of Long Branch.

An Act respecting the city of Ottawa.

An Act respecting the city of Fort William.

An Act respecting the city of Hamilton.

An Act respecting the town of Eastview.

An Act respecting the city of Niagara Falls.

An Act respecting the city of Sault Ste. Marie.

An Act respecting United Community Fund of Greater Toronto.

An Act to amend The Schools Administration Act, 1954.

An Act to amend The Ontario School Trustees' Council Act, 1953.

An Act to amend The Department of Education Act, 1954.

An Act to amend The Anatomy Act.

An Act to repeal The Beaches and River Beds Act.

An Act to amend The Conditional Sales Act.

An Act to amend The County Courts Act.

An Act to amend The General Sessions Act.

An Act to amend The Deserted Wives' and Children's Maintenance Act.

An Act to amend The Interpretation Act.

An Act to amend The Judicature Act.

An Act to amend The Magistrates Act, 1952.

An Act to amend The County Judges Act.

An Act to amend The Surrogate Courts Act.

An Act to amend The Mortgages Act.

An Act to amend The Public Trustee Act.

An Act to amend The Summary Convictions Act.

An Act to amend The Mechanics' Lien Act.

An Act to amend The Land Titles Act.

An Act to provide for the certification of titles of lands.

An Act respecting the road allowance between lots 15 and 16 in concession 8 of the township of Tay.

An Act to amend The Provincial Land Tax Act.

An Act to amend The Vital Statistics Act.

An Act to amend The Corporations Act, 1953.

An Act to amend The Corporations Information Act, 1953.

An Act to amend The Teachers' Superannuation Act.

An Act to amend The Cancer Act, 1957.

An Act to amend The Cemeteries Act.

An Act to amend The Tourist Establishments Act.

An Act to amend The Municipal Unconditional Grants Act, 1953.

An Act to amend The Statute Labour Act.

An Act to amend The Highway Improvement Act, 1957.

An Act to amend The Secondary Schools and Boards of Education Act, 1954.

An Act to amend The Public Schools Act.

An Act to amend The Separate Schools Act.

An Act to amend The Ontario-St. Lawrence Development Commission Act, 1955.

An Act to repeal The Town Sites Act.

An Act to amend The Public Lands Act.

An Act to amend The Investigation of Titles Act.

An Act to amend The Insurance Act.

An Act to amend The Child Welfare Act, 1954.

An Act to amend The Workmen's Compensation Act.

An Act to amend The Labour Relations Act.

An Act to amend The Mining Act.

The Surveys Act, 1958.

An Act to amend The Division Courts Act.

An Act to amend The Telephone Act, 1954.

An Act to amend The Stallions Act.

An Act to amend The Jails Act.

An Act to amend The Sanatoria for Consumptives Act.

An Act to amend The Disabled Persons' Allowances Act, 1955.

An Act to amend The Blind Persons' Allowances Act, 1951.

An Act to amend The Old Age Assistance Act, 1951.

An Act to amend The Mothers' and Dependent Children's Allowances Act, 1957.

An Act to amend The Indian Welfare Services Act, 1955.

An Act to amend The Training Schools Act.

An Act to amend The Public Parks Act.

The Provincial Parks Act, 1958.

An Act to amend The Power Commission Act.

An Act to amend The Administration of Justice Expenses Act.

An Act to amend The Sheriffs Act.

An Act to amend The Fire Departments Act.

The Libel and Slander Act, 1958.

The Private Investigators Act, 1958.

An Act to amend The Judicature Act.

An Act to amend The Game and Fisheries Act.

An Act to amend The Tile Drainage Act.

An Act to amend The Public Utilities Act.

An Act to amend The Ontario Municipal Board Act.

An Act to amend The Local Improvement Act.

An Act to amend The Homes for the Aged Act, 1955.

An Act to amend The Mining Tax Act.

An Act to amend The Mining Act.

An Act to amend The Milk Industry Act, 1957.

An Act to amend The Farm Products Marketing Act.

An Act to regulate the storage of farm produce in grain elevators.

An Act to amend The Highway Traffic Act.

An Act to amend The Public Service Act.

An Act to amend The Municipal Act.

An Act to amend The Department of Municipal Affairs Act.

An Act to amend The Coroners Act.

An Act to amend The Police Act.

An Act to amend The Real Estate and Business Brokers Act.

An Act to amend The Registry Act.

The Time Act, 1958.

An Act to repeal The Law Stamps Act.

An Act to amend The Corporations Tax Act, 1957.

An Act to amend The Succession Duty Act.

An Act to amend The Lake of the Woods Control Board Act, 1922.

An Act to amend The Assessment Act.

An Act to amend The Municipal Act.

An Act to authorize the government of Ontario and the Hydro-Electric Power Commission of Ontario to enter into an agreement with the government of Manitoba and the Manitoba Hydro-Electric Board respecting the diversion of certain waters into the Winnipeg river and the power generated from such waters.

An Act to amend The University of Toronto Act, 1947.

The Veterinarians Act, 1958.

An Act to amend The Charitable Institutions Act, 1956.

An Act to provide for the services of homemakers and nurses.

An Act to amend The Public Commercial Vehicles Act.

An Act to amend The Public Vehicles Act.

An Act to amend The Ontario Highway Transport Board Act, 1955.

An Act to provide for the control of air pollution.

An Act to amend The Damage by Fumes Arbitration Act.

An Act to amend The Department of Education Act, 1954.

An Act to establish the Ontario anti-discrimination commission.

An Act to amend The County Judges Act.

An Act to amend The Female Refuges Act.

An Act to amend The Public Service Act.

An Act to amend The Vital Statistics Act.

An Act to provide for the extension of the municipal franchise.

An Act to amend The Liquor Control Act.

An Act to amend The Corporations Act, 1953.

An Act to amend The Embalmers and Funeral Directors Act.

An Act to amend The Financial Administration Act, 1954.

An Act to authorize the raising of money on the credit of the consolidated revenue fund.

An Act to amend The Homes for the Aged Act, 1955.

An Act to amend The Ontario Water Resources Commission Act, 1957.

An Act to amend The Public Hospitals Act, 1957.

An Act to amend The Hospital Services Commission Act, 1957.

An Act to amend The Trench Excavators Protection Act, 1954.

An Act to amend The Rehabilitation Services Act, 1955.

An Act to amend The Crown Attorneys Act.

An Act to amend The Summary Convictions Act.

An Act to amend The Municipality of Metropolitan Toronto Act, 1953.

An Act to provide for the charging of tolls on certain bridges.

An Act to provide general welfare assistance to persons.

An Act to amend The Loan and Trust Corporations Act.

An Act to amend The Ontario Fuel Board Act, 1954.

An Act to amend The Upper Canada College Act.

An Act to amend The Municipality of Metropolitan Toronto Act, 1953.

An Act to amend The Ontario Municipal Board Act.

The Pipe Lines Act, 1958.

An Act to repeal The Travelling Shows Act.

An Act to amend The Housing Development Act.

An Act to amend The Motor Vehicle Fuel Tax Act, 1956.

To these Acts the Royal assent was announced by the clerk of the legislative assembly in the following words:

Clerk of the House: In Her Majesty's name, the Honourable the Lieutenant-Governor doth assent to these bills.

Mr. Speaker: May it please Your Honour:

We, Her Majesty's most dutiful and faithful subjects, the legislative assembly of the province of Ontario, in session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to Her Majesty's person and government, and humbly beg to present for Your Honour's acceptance a bill intituled, "An Act for granting to Her Majesty certain sums of money for the public service for the fiscal years ending March 31, 1958, and March 31, 1959."

To this Act the Royal assent was announced by the clerk of the legislative assembly in the following words:

Clerk of the House: The Honourable the Lieutenant-Governor doth thank Her Majesty's dutiful and loyal subjects, accept their benevolence, and assent to this bill in Her Majesty's name.

The Honourable the Lieutenant-Governor was then pleased to deliver the following gracious speech:

Hon. J. K. Mackay (Lieutenant-Governor): Mr. Speaker and hon. members of the legislative assembly:

Before proroguing this fourth session of the twenty-fifth Parliament, I wish to commend you for the thoughtful consideration and unfailing attention you have given to the affairs of this province. Rapid growth and social and economic change have imposed upon you heavy responsibilities.

During the session now closing, you have studied and passed more than 180 bills, and approved a many-sided programme to promote the economic and social well-being of our people.

Although many matters have commanded your attention, 10 stand out as being of paramount importance.

First, you have adopted a well-conceived and soundly-planned programme of capital projects and works which will add to the productive assets of our people and sustain and create employment and income.

The magnitude of this programme is unprecedented. It is estimated that in the coming fiscal year, the province, together with the municipalities and the various commissions and agencies, will spend on the construction of new assets, and the repair of existing facilities, a total of \$955 million. This expenditure will provide employment for 235,000 on-site and off-site workers.

Second, you have authorized a record-breaking increase in provincial assistance to the municipalities and other local agencies. You have provided more money, not only for schools but for hospitals and roads, and you have increased the appropriation for unconditional grants.

You have approved provincial payments to the municipalities and local agencies totalling \$260 million, an increase of more than \$45 million over the appropriation last year. That is an increase without parallel in the annals of the province. It will go a long way towards stabilizing local tax rates and indeed, in many instances, in effecting rate reductions that will be translated into immediate benefits to the local tax payer.

Various other steps have been taken to improve the municipal position. A comprehensive programme of sewer and water works financed by and carried out under the direction of the Ontario water resources commission has been approved. More than 150 municipalities have availed themselves of the

funds of the Ontario municipal improvement corporation and this number will be substantially increased during the next fiscal year.

Legislation has been passed to reinforce provincial and municipal welfare arrangements. In many instances, the province has assumed a greater proportion of these costs and thereby relieved the municipality and the home owner.

Amendments have been made to The Assessment Act and a new Act—The Municipal Franchise Extension Act, 1958—has been passed empowering municipalities to extend the right to vote for council members to all persons of the full age of 21 years, who are British subjects, and who have resided in the municipality for at least one year.

Additional funds have been provided for mining, logging and community access roads and for assisting mining municipalities.

Third, you have authorized a greatly expanded programme of assistance for education. The province's grants to local school boards are being increased by 33 per cent. and several other improvements are being made to strengthen the educational fabric of the province.

Coincidental with the increase in school grants to \$133 million, a new system of distribution has been adopted, which, being based on equalized assessment factors, provides equality of opportunity for education in all parts of Ontario as never before.

A growth-need factor has been built into the new grants formula to meet the problems of rapidly growing residential areas with a large number of children.

Besides providing elementary and secondary school grants, you have authorized payments of over \$23 million to the universities for maintenance and capital purposes. Good progress is being made on the construction of facilities for the Ryerson Institute and for new teachers' colleges. The bursary system has been expanded and a new student loan fund introduced.

In addition to the normal contribution of \$10.5 million that the province now makes for teachers' superannuation, you have again provided for a special payment into this fund of \$1 million. To implement these various educational policies, you have authorized appropriations totalling \$177 million, an increase in this one year alone of over 26 per cent.

Fourth, a series of measures that will contribute materially to Ontario's health and welfare services has been adopted.

Foremost among these is hospital insurance. The first agreement between any province and the federal government was signed by Ontario last March 3. This agreement has now become a model for the agreements with the other provinces.

In conformity with this agreement and The Federal Act, amendments have been made to The Hospital Services Commission Act of Ontario, enabling hospital insurance to become a reality in Ontario next January 1.

Another notable advance has been the province's doubling of its capital grants for the construction of public general, welfare services has been adopted.

You have approved the adoption of The Homemakers' and Nurses' Services Act, 1958, which provides for provincial-municipal sharing of the cost of providing home care and nursing services under certain conditions.

Other notable improvements have also been made. The province will share with the municipalities on an 80-20 basis, up to a maximum of \$100 per month per person, the cost of maintaining needy persons in nursing homes. Any municipality with a population of more than 15,000 may now establish a home for the aged, while an amendment to The Charitable Institutions Act provides a new basis for paying subsidies to institutions operated as homes for the aged.

The Child Welfare Act has been revised to strengthen and clarify the adoption process and the status of the adopted child.

Amendments have also been made to The Disabled Persons' Allowances Act, The Old Age Assistance Act and The Mothers' and Dependent Children's Allowances Act in order to bring this legislation into line with current administrative arrangements. Amendments to The Indian Welfare Services Act broaden the basis of payment of mothers' allowances to Indian mothers with dependent children, and enable agreements to be made with the government of Canada with respect to welfare assistance to Indians.

Measures have been adopted to improve the machinery for providing direct relief to unemployed workers, and also for creating certain types of emergency employment. The province has raised its share of direct relief assistance to needy persons from 60 per cent. to 80 per cent., and has thereby reduced the municipal proportion from 40 per cent. to 20 per cent.

In this way, we are meeting the essential needs of workers who have either exhausted their unemployment insurance benefits, or who are not eligible to receive them.

The province has also introduced an emergency works programme, under which it undertakes to reimburse municipalities to the extent of 70 per cent. of their direct labour costs incurred between February 15 and May 31, 1958, on approved municipal projects or works undertaken in the municipality. The programme is designed to furnish employment to those who are eligible for direct relief and who are capable of working.

The Air Pollution Control Act has been passed to provide for the control of air contaminants, to facilitate air pollution research, and to empower municipalities to pass and enforce air pollution by-laws.

Fifth, plans for carrying out an expanded resource conservation and development programme have received your close attention. Substantial increases in appropriations have been made to enlarge the Ontario Agricultural College and Veterinary College facilities, and to promote research in agriculture and forestry.

Amendments have been made to The Farm Products Marketing Act and to The Milk Industry Act. Under the latter, the milk industry board may act as an arbitrator in disputes. Loans are continuing to be made under The Junior Farmer Establishment Act.

Sixth, progress has been made with the federal government on tax-sharing arrangements and other matters. The province's revenue under its income tax rental agreement has been enhanced by an amendment to The Tax-Sharing Arrangements Act which—for the year 1958—has increased the province's share of the personal income tax field from 10 per cent. to 13 per cent. of the federal tax.

An agreement has been signed under which the federal government contributes 50 per cent. of the cost of direct relief. In connection with hospital insurance, the federal government has undertaken to remove the restriction that would prevent it from contributing until 6 provinces, having a majority of the Canadian population, had plans in operation.

Seventh, steps have been taken to deter discrimination and fortify individual freedom. The Ontario Anti-Discrimination Commission Act, 1958, establishes a commission to secure the elimination of discriminatory practices under the authority of the following Acts: The Fair Employment Practices Act, The Female Employees' Fair Remuneration Act, and The Fair Accommodation Practices Act.

Eighth, despite the huge capital works programme upon which we have been en-

gaged, there are no new taxes or increases in taxes. Indeed, we have reduced the diesel fuel tax by 1.5 cents a gallon. Furthermore, an amendment to The Corporations Tax Act, passed at this session, allows an allocation of corporation profits among provinces that avoids the taxation of corporation profits by one province that are taxable by another province. It also brings the Ontario Act into closer relationships with the provisions of the federal Income Tax Act.

Ninth, two measures which will promote the more efficient utilization and recruitment of civil service personnel have been adopted: Under one amendment to The Public Service Act, pension rights may be vested and annuities established for employees who have 10 or more years' service and contributions to the public service superannuation fund. Another amendment enables superannuated civil servants to be appointed in special capacities without interfering with their pensions or requiring them to make additional contributions to the superannuation fund.

Tenth, fewer services will have more enduring benefits than the expansion of the provincial parks system. At present the province is seeking the acquisition of an additional 20 parks. To implement this policy and also to bring into reality the St. Lawrence parks system from the Bay of Quinte to the Ontario-Quebec boundary, nearly \$6 million is being provided for the year 1958-1959. Many other Acts have been passed covering a variety of subjects dealing with the welfare of our people and the progress of our province.

To the various standing and select committees of the House, I wish to extend sincere thanks for their conscientious devotion to the requirements of this province. I wish to thank the hon. members, too, for the financial provisions that they have made. Despite the

heavy demands that are created by education and many other provincial and municipal services, the financial position of the province is strong.

However, it can be kept that way only by a most careful husbanding of our financial resources.

Looking into the future, the economic outlook is not trouble-free, yet it is one in which we have confidence. With our growing population, modern industry and our favourable resource-population ratio, our long-term future cannot be other than bright.

The volume of construction in Ontario is higher this year than even that of a year ago, while overall capital investment intentions approximate last year's exceedingly high level. The province has taken steps to bolster employment through public works. Credit has been eased both in Canada and abroad, and interest rates have been reduced. We have before us opportunities unexcelled in all our history.

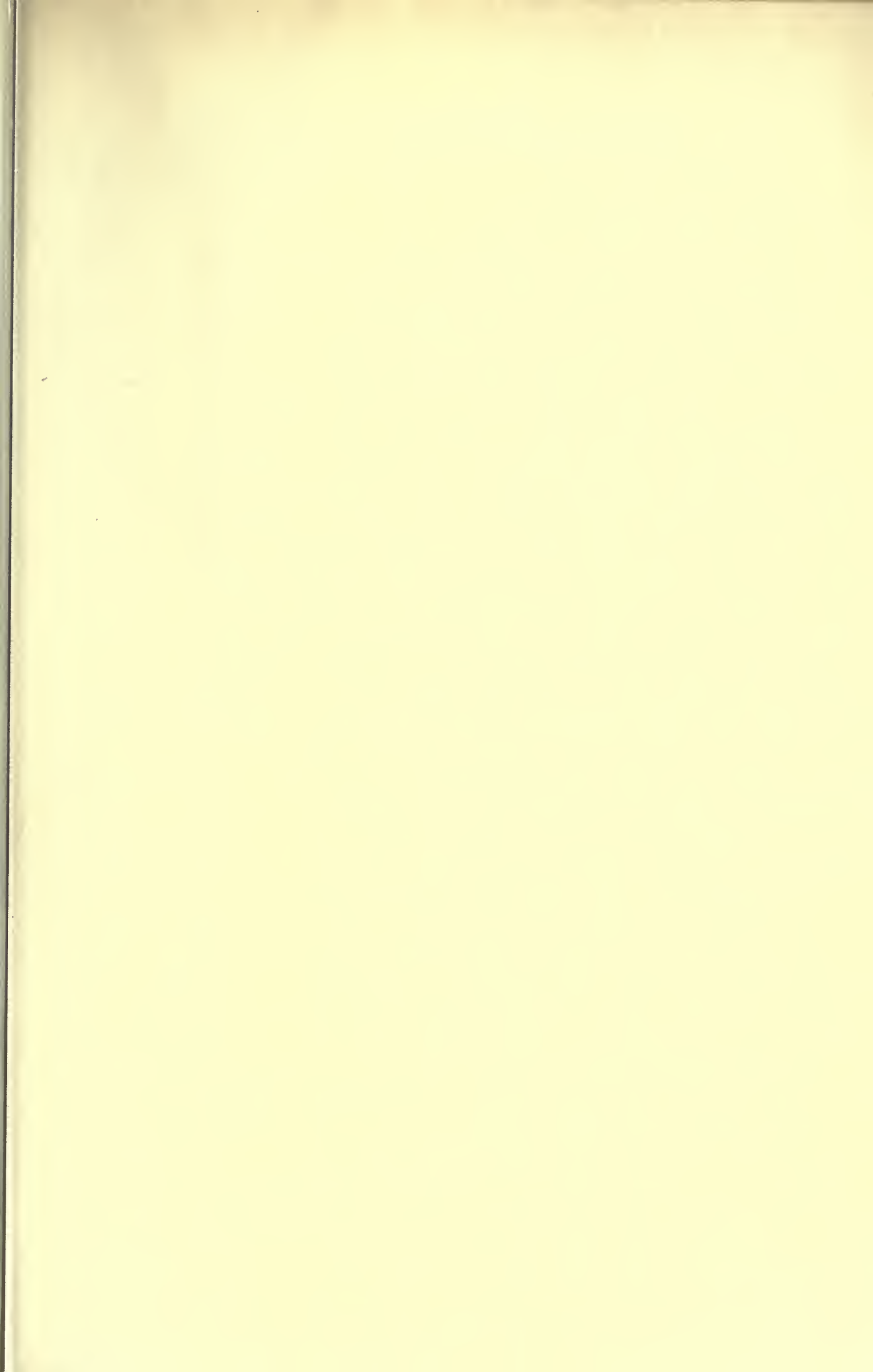
Gratitude is expressed to the public servants of Ontario for the faithful discharge of their duties and responsibilities.

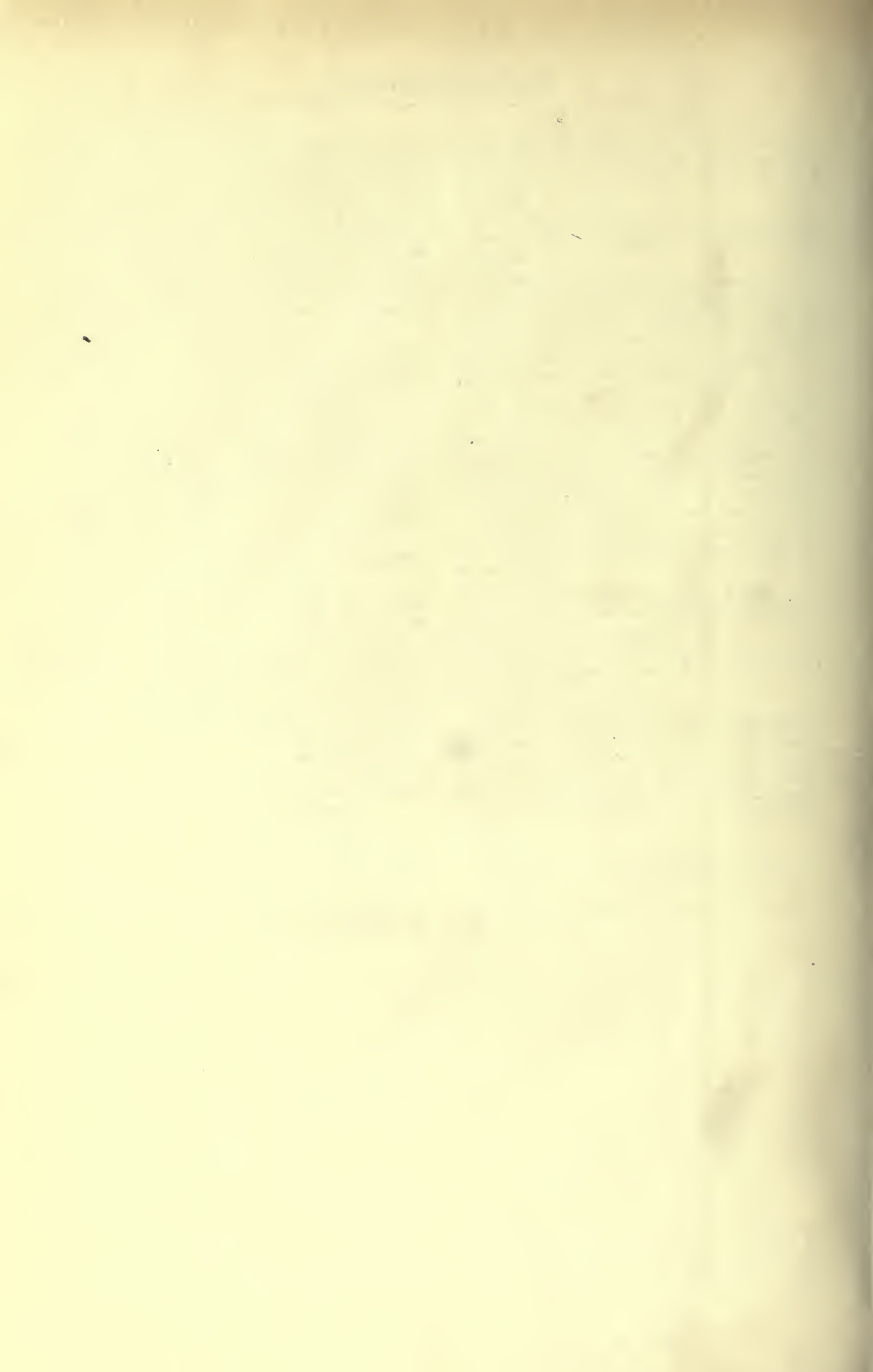
I pray that Divine Providence may guide and bless you, and promote the well-being of this province and nation.

Hon. G. H. Dunbar (Provincial Secretary): Mr. Speaker and hon. members of the legislative assembly: It is the will and pleasure of the Honourable the Lieutenant-Governor that this legislative assembly be prorogued, and this legislative assembly is accordingly prorogued.

The Honourable the Lieutenant-Governor was pleased to retire from the chamber.

The House prorogued at 12.16 of the clock, p.m.





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